FBIS **DAILY REPORT**

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26 June Middle East and South Asia Review

LD261256 [Editorial Report]

Iran-Iraq Conflict

Military Developments — Iran launched another offensive in the north the night of 24-25 June, recapturing over 20 square km of Iranian territory in border areas west of Sar Dasht, IRNA announced. Iranian forces reportedly killed, wounded, or captured over 900 Iraqis in the operation, which is entitled "Nasr-5." The agency said the Iranians were able to take control of around 20 heights, giving their artillery "full control" over the Iraqi garrison at Qal'at Dizah and the Dukan Dam.

Further south, Iranian forces gained further victories in their "Nasr-4" offensive in the Mawut area, according to Tehran radio, which cited reports that the Iranians occupied an Iraqi garrison and advanced 3 km along the road to Al-Sulaymaniyah. Over 500 Iraqis were killed or injured and 50 were captured, the radio claimed.

However, Iraq's Voice of the Masses radio subsequently broadcast a communique which claimed that the latest Iranian attacks in the north were repulsed in "fierce battles" during which Iran lost "tens of thousands of dead and wounded." Without specifying the exact location of the fighting, the communique said Iraq's I Army Corps annihilated the attackers and "raised Iraq's banner" over the mountains of Kurdistan. Nevertheless, an earlier communique carried by the radio did confirm Iran's claim to have downed an Iraqi warplane in the north, acknowledging that one Iraqi jet fell on the battlefield in the course of raids on enemy positions 25 June. An Iraqi spokesman cited by INA denied Iranian claims that Iraqi planes had bombed residential areas inside Iran the previous day and he stressed that the raids were confined to military targets.

In the Gulf, the Iraqi Navy launched missiles against a "large maritime target" which was attempting to enter the Iranian port of Bandar-e Khomeyni, according to a military spokesman cited by INA. The "unerring" missiles turned the vessel into "rubble to be swallowed by the sea," the Iraqi spokesman added.

Iran on Gulf — The commander of Iran's Revolution Guards stated that even if the United States were to bring "all" its forces into the Gulf, Iran has "enough forces seeking martyrdom" to be able to strike "blows" at modern U.S. equipment and capture a number of U.S. naval craft as war booty, Tehran radio reported.

Oil Policy — The Iranian and Iraqi oil ministers expressed conflicting viewpoints on OPEC oil policy in statements on the eve of the OPEC ministerial meeting in Vienna. While IRNA cited the Iranian minister's view that OPEC should reduce production in order to bolster prices, the Iraqi minister told INA that Iraq insists its quota should be raised to the same level as Iran.

Al-Shariqah Ruler's Return

Shaykh Sultan ibn Muhammad al-Qasimi returned to power as ruler of Al-Shariqah after arriving at his palace in the amirate and receiving members of the ruling family, QNA reported 26 June.

Lebanon

Syrian Measures — Sources in Lebanon cited by Cairo radio reported that Syria has begun taking measures aimed at securing the release of kidnapped U.S. journalist Charles Glass. Syrian forces have increased surveillance on all approaches to the Shi'ite areas of south Beirut and are preventing "suspect persons" from crossing into West Beirut from the southern suburb. The radio said the Syrians have also decided to close down "religious and cultural" offices in the poorer areas of West Beirut, which they are planning to search. Syrian Brigadier General Ghazi Kan'an has returned to Damascus for consultations relating to the attempt to release Glass, the radio added.

USSR Visit Denial — An "official source" cited by Voice of Lebanon radio denied the *Al-Bayraq* report that President Amin al-Jumayyil has been invited to visit the USSR.

Syria

Minister's Resignation — Mahmud al-Kurdi resigned as minister of agriculture and agrarian reform following a cabinet discussion of "negligence and shortcomings" that led to "negative results" in the agricultural sector, SANA reported.

CSSR Relations — The Syrian and Czechoslovak foreign ministers signed a cooperation protocol at the end of the latter's visit to Damascus, CTK revealed. Damascus radio noted that President Hafiz al-Asad received the CSSR minister 25 June.

PLO's Qaddumi on Moscow Talks, 'Arafat Invitation

JN251636 Kuwait AL-ANBA' in Arabic 25 Jun 87 p 22

[Salam Musafir dispatch from Moscow]

[Text] Faruq Qaddumi, head of the PLO Political Department, has stated that Soviet officials have told him that relations with Israel will not be resumed unless the reasons for their severance no longer exist. In an exclusive statement to *Al-Anba'* in Moscow, Qaddumi denied that the statements made by 'Imad Shaqqur, Yasir 'Arafat's adviser for Israeli affairs, represent the PLO view.

When asked by *Al-Anba'* about the PLO Political Department's stand on Shaqqur's statements calling for a direct Palestinian-Israeli meeting, Qaddumi said that Shaqqur is not an adviser to 'Arafat and does not at all express PLO policy and PNC resolutions. Qaddumi added that not all occasional statements necessarily express the PLO view or represent its political activity. He asserted that the Political Department is the real source of any diplomatic step.

Qaddumi, who is currently visiting Moscow, said that his 2 and 1/2 hour talk with Soviet Foreign Minister Eduard Shevardnadze dealt with several major topics. These included the international conference, relations between the PLO and the Soviet Union, and the Iraq-Iran war, as well as the Arab summit, disarmament, nuclear tests, and the arms race.

Answering a question from *Al-Anba'* on the realistic scope for convening an international conference, Qaddumi said: The idea of an international conference has been widely welcomed in international circles. The European stand at the EEC meeting offers the latest proof of this. He asserted that the United States and Israel are still evading the responsibility of convening such a conference. They are seeking to have an international meeting where direct negotiations are held. The Soviet Union and the PLO would not be present. The inalienable national rights of the Palestinian people would be ignored. Also, separate deals similar to the Camp David accords would be concluded.

Qaddumi said Israel and the United States cannot accept a Palestinian national entity. In his statement to *Al- Anba'* Qaddumi noted that independent Palestinian representation is the main problem disturbing Tel Aviv and Washington. He said: Consequently, we will continue the struggle, and above all the armed struggle, to establish our independent state.

Qaddumi answered another question from *Al-Anba'* on whether the Palestinian delegation had raised the issue of the emigration of Soviet Jews during its visit to Moscow. He said: The Soviet Union has stated that a Soviet delegation will visit Israel. The Soviet friends emphasized that this visit does not mean resumption of diplomatic ties with Tel Aviv. Qaddumi asserted that the Soviet stand is consistent; namely, that the reasons which led to the severance of relations with Israel still exist. He said that the Palestinian delegation had expressed its confidence in that stand. Qaddumi said that they had also expressed the desire for the Soviet Union to do what it can to ensure that no Soviet Jew goes to Israel. He added that this is an internal matter for the Soviets to deal with in a wise manner.

Qaddumi continued: However, we in the PLO will make every effort — as it is our policy to do so — to prevent or reduce as much as possible by all legitimate means the emigration of Jews from various parts of the world. He stressed that the issue was not a dispute between the PLO and the Soviet Union. Qaddumi noted that emigration from Israel has increased in recent years because of lack of security and peace inside Israel. He added: That is due to our armed revolutionary struggle. It is also the result of our political struggle which is based on repatriation and the coexistence of Jews, Muslims, and Christians in a democratic state or an independent Palestinian state.

In his interview with *Al-Anba'*, Qaddumi said that Yasir 'Arafat has been invited to visit Moscow. The date of the visit has not yet been fixed.

Abu Nidal Expelled From Syria, Now in Lebanon

NC251719 Beirut Voice of Lebanon in Arabic 1615 GMT 25 Jun 87

[Text] Citing a report by a Western intelligence service, the FRG newspaper *Bild* says in its edition scheduled for publication tomorrow [26 June] that Syria has recently expelled the terrorist Abu Nidal [Sabri al-Banna] from Damascus. The report adds that offices belonging to the Abu Nidal group were shut down at the beginning of June and that all members of this group who did not have Syrian identification papers were forced to leave Syria at once.

The newspaper notes that an official from the same Western intelligence service has asserted that Abu Nidal and his supporters are currently in the Al-Biqa' area and West Beirut. The official said that it is probable that Abu Nidal is preparing to kidnap citizens of Western countries and hold them hostage in order to trade them for large ransoms that will be used to finance new terrorist operations.

81st OPEC Conference Focuses on Production Goals

Lukman Says Portents 'Good'

LD251052 Vienna OPECNA in English
0941 GMT 25 Jun 87

[Text] Vienna, 25 Jun (OPECNA) — The portents are good for OPEC and the fortunes of the entire oil industry have been greatly improved, OPEC Conference President Alhaji Rilwanu Lukman, said today.

Opening the 81st meeting of the OPEC conference taking place in the organization's secretariat here, the president said the improvement in fortune followed "our historic decision last December to return to fixed prices for our export crudes and to reduce total OPEC production to 15.8 million b/d for the first six months of this year".

He noted that prices had undergone a strong recovery, with levels equal to, and in many cases above, OPEC's reference price.

"This is a deeply satisfying development for OPEC, and demonstrates once again the way in which our organization, despite stresses and strains, has reasserted its inherent strength and influenced the market, to the benefit of all", he said.

He described the determination of OPEC member countries to abide by the December accord as "particularly impressive". OPEC, he added, had been resolute in implementing the agreement, displaying a firmness which had made the market clearly aware of the organization's "serious intentions".

The market must also have attached considerable significance to the fact that no extraordinary meetings had been deemed necessary since the accord six months ago.

He cautioned however against complacency, which he called "a luxury we cannot afford".

"We must never forget that instability in the oil market has become a constant potential threat, because if left on its own, the market is inherently in a situation of imbalance where movements of supply and demand could be disrupted. Unremitting vigilance is therefore called for on our part to prevent instability from regaining the upper hand," the president said.

Referring to last year's crisis, he said it was brought about by a steep decline in oil demand and the unwillingness of producers to cut production in line with the decline, which then led to a situation of substantial oversupply.

He recalled that OPEC had, well before 1986, seized every opportunity to warn of the danger of oversupply in a shrinking oil market and the inevitable consequences of an oil price collapse. "Our appeal fell on deaf ears, and the consequences of this are now history," the president pointed out. He said at the initial stage of implementing the December agreement, there was a reluctance by companies to comply with OPEC's fixed pricing system. This led to a heavy stock drawdown of as much as three million b/d which caused a reduction in OPEC member countries' production levels.

However, it eventually proved to be in OPEC's favour since it greatly reduced the excessive surplus stock of cheap oil accumulated in 1986 and provided the foundation for the subsequent strengthening of the price.

The president noted that all oil producers, OPEC and non-OPEC, were now benefiting from the successful implementation of the OPEC agreement. "Had the 1986 situation continued, it would have generated further havoc in the world oil industry, much of it irreversible especially in such high-cost production areas as the United States and the United Kingdom. It is likely that prices would by now have plunged to unimaginably low levels, creating problems for not only the world oil industry, but also the entire international economic and financial order".

He noted that the low prices of 1986 led to large cuts in the investment budgets of oil companies in the upstream stage. Industry activity was reduced. Unemployment rose. The banking system was disturbed. "All these disruptive effects, which were the result of the competitive market-orientated pricing formula temporarily adopted by OPEC, ceased when our organization decided to revert to fixed pricing," the OPEC president said.

He said the events of the past six months had once again underlined the fact that "OPEC's intervention is necessary to defend prices and restore stability to the oil market". He added that this fact did not justify non-OPEC oil producers leaving the responsibility for market stability to OPEC alone, especially when the benefits of OPEC policies were enjoyed by all producing countries.

Noting that it was the first ordinary meeting of the OPEC conference to be held in the secretariat since 1977, he welcomed the Iraqi oil minister Isam 'Abd al-Rahim al-Shalabi who was attending the meeting for the first time. He also expressed the organization's deepest sympathy to Ecuadorian Energy and Mines Minister Javier Espinosa Teran following the tragedy caused by the recent earthquakes in the country. "It is heartening to observe that the solidarity of the organization was given expression at this time by the assistance shown by fellow OPEC member countries," the president said.

Lukman Reelected President

LD251128 Vienna OPECNA in English
1041 GMT 25 Jun 87

[Text] Vienna, 25 Jun (OPECNA) — Alhaji Rilwanu Lukman, Nigerian minister of petroleum resources, has today been re-elected president of the OPEC conference. The Ecuadorian minister of energy and mines Javier Espinosa Teran was also re-elected alternate president.

Both ministers were first elected as president and alternate respectively at the 78th meeting of the OPEC conference in Brioni, Yugoslavia on 25 June last year. They have been re-elected at subsequent meetings, the last one being the December conference in Geneva.

The 81st meeting of the conference which was opened here earlier today with a speech by the conference president, has been adjourned till this evening.

Threat to Market Balance Noted

AU251234 Paris AFP in English 1206 GMT 25 Jun 87

[Jan Kristiansen report]

[Text] Vienna, June 25 (AFP) — Oil ministers of the 13-nation Organisation of Petroleum Exporting Countries were faced here Thursday with the tricky task of persuading world oil markets they are ready to take the steps required to consolidate market stability in the second half of the year.

Indonesia's energy minister Dr Subroto told reporters at the opening of OPEC's regular mid-year conference that the "first" priority facing the ministers was to agree on a production ceiling "that can defend an (official OPEC) price of 18 dollars" a barrel.

OPEC officials confirmed that the Gulf countries led by Saudi Arabia and other OPEC members, in particular Algeria, Iran and Libya, remained divided on production levels for the second half of the year.

Algeria's energy minister Belkacem Nabi told correspondents as the talks opened that "we have no recommendation" on output from OPEC's ministerial Market Monitoring Committee, which met overnight.

OPEC president Rilwanu Lukman of Nigeria reflected the ministers' concerns as he addressed a brief formal opening session at OPEC's Vienna headquarters.

He warned OPEC members against "a slide into complacency" and told them that continued "sacrifices" and "unremitting vigilance" were needed to preserve gains achieved through last December's OPEC decision to restore a fixed official pricing structure backed up by production ceilings to better match crude supply with market demand.

Mr Lukman said OPEC had "confounded" its critics by "making this agreement work" despite additional hardships for OPEC economies and monetary instability, highlighted by the dollar's steep fall against other key currencies.

OPEC's December agreement set a production ceiling of 15.8 million barrels a day (mbd) for the first half of 1987, and tentative limits of 16.6 mbd and 18.3 mbd respectively for the third and fourth quarters.

The limits were intended to back up an OPEC reference price of 18 dollars a barrel, calculated as an average of the agreed official selling prices of a "basket" of seven OPEC crudes.

Mr Lukman stressed in his speech that the action agreed by OPEC's lengthy Geneva meeting six months ago had brought a "strong" price recovery to "levels equal to, and in many cases above OPEC's reference price."

In futures and spot market trading, prices have reached 19 to 20 dollars over the past two weeks, but Western analysts and OPEC experts fear a plunge at the end of the year unless OPEC output is cut back well below the 18.3 mbd ceiling tentatively set for the October-December period.

Ecuador's Javier Espinoza Teran told AFP there was a feeling among OPEC ministers that the "ideal" thing would be to renew the December agreement, but conceded that the fourth quarter ceiling was a point of "worry", although "if adherence to (national production) quotas is 100 per cent, it should hold."

The minister thus indirectly confirmed that OPEC is again confronted with a problem of internal "discipline". Iraq rejected the quota of 1.46 mbd allocated to it under the December agreement, and overproduction by some other member countries as well has lifted OPEC output to "well above 17 mbd" at present, officials said.

Mr. Espinoza said "it would not be very healthy" for OPEC ministers to come back for renewed talks on the fourth quarter limit next September, as suggested by Gulf delegations here.

Gulf officials told AFP however, that no special ministerial conference would be needed before the regular December year-end meeting if the ministers agreed to renew the present arrangement and gave the Monitoring Committee a mandate to review the market situation in three months and make recommendations to member capitals.

Algeria and other OPEC hardliners have come out in favour of maintaining the first half limit of 15.8 mbd until the end of the year.

Aqazadeh Urges Less Production

LD251755 Tehran IRNA in English 1528 GMT 25 Jun 87

[Text] Vienna, June 25, IRNA — Iranian Oil Minister Gholam Reza Aqazadeh stressed on the need for reducing OPEC oil production in order to support prices.

Speaking to reporters minutes before inauguration of OPEC's 81st session here today, Aqazadeh said that even if the oil market is to absorb 18.3 million barrels of oil per day during the fourth quarter of the current year, OPEC ceiling would certainly be less than the aforesaid amount. 18 dollars is the minimum price for each barrel of OPEC oil, he added.

On Iraq's continued violation of OPEC's resolutions, Aqazadeh said this is not an issue only for Iran but that other OPEC members have also expressed dissatisfaction over Iraq's flagrant violation.

Aqazadeh said commitment of all member states to OPEC decisions is important for Iran and that violation should be dealt whether it is on the part of Iraq or the United Arab Emirates.

President Returns From U.S. Visit 24 Jun
AB242014 Ndjamena Domestic Service in French
1845 GMT 24 Jun 87

[Text] The president of the Republic, El Hadj Hissein Habre, returned to Chad this afternoon following his historic visit to the United States [words indistinct]. His plane touched down at Ndjamena International Airport at approximately 1615. [passage indistinct]

'Encouraged' by Visit
AB250955 Ndjamena Domestic Service in French
0530 GMT 25 Jun 87

[Text] The president of the Republic expressed his thoughts on his recently concluded visit to the United States as follows: I return home very satisfied and very much encouraged. President Hissein Habre returned to Ndjamena late yesterday afternoon after being out of the country for 1 week. A large crowd thronged the airport road and Ndjamena's principal streets where the presidential cortege passed to welcome the UNIR [National Union of Independence and Revolution] founding chairman home. Ndjamena's entire populationwanted to show their president its gratitude for this fruitful and encouraging visit. The reception was therefore commensurate with this important and historical foreign visit, a visit successful for both the head of state and for all the Chadian people. Here is the president at his arrival at Ndjamena airport:

[Begin recording] [Habre] First of all, I would like to thank our party militants for this warm and militant welcome. I return home from a friendly working visit to Washington very satisfied and very much encouraged. In fact, my wife and I, as well as the delegation accompanying us, were given a very warm reception; our hosts accorded us special treatment. We then had very extensive and detailed discussions with U.S. officials, especially President Reagan, on bilateral issues and topics of mutual interest. As you know, we have very good relations with the United Staes. During the visit, we reexamined the various aspects of this cooperation. I must say that the visit enabled us to give new impetus to this cooperation.

We also discussed issues concerning international relations in general and Africa in particular. We viewed serious problems such as African debt, the great drop in the price of our raw materials, and the crucial development problems facing Africa in general.

Therefore, my visit was an intensive one. We had convergent views on all the subjects discussed with U.S. officials. Because of this, I have returned from the United States very satisifed. I believe that this visit has helped to strengthen the friendly cooperative relations between Chad and the United States, and between the Chadian and American peoples, to the great benefit of both our countries and peoples.

[Correspondent] Mr President, you held comprehensive discussions with your U.S. counterpart and with other U.S. authorities. We also know that you traveled to the United States in the wake of the Chadian people's victories over Libyan expansionist tendencies. As far as military relations are concerned, would you say that we should expect intensified cooperation between the United States and Chad to safeguard our nation's security?

[Habre] In fact, cooperation between Chad and the United States includes military cooperation. You do well to have asked this question, because the military aspect of our cooperation is of great importance to the Chadian people, who jealously guard their freedom and dignity and who are dedicated to recovering our territorial integrity. Consequently, we discussed this issue. I can state that military cooperation, along with other areas of cooperation with the United States, will be strengthened and developed.

[Correspondent] Mr President, we now know about this military cooperation. But as for the purely economic field, especially withregard to the private sector, what can we concretely expect from your visit to the United States?

[Habre] I have just stated that we dealt with all aspects of cooperation. Although issues concerning defense and security are of high priority to us, matters concerning development are also very important. To this end, we held extensive discussions on issues of economic cooperation. You mentioned the private sector. Of course, economic cooperation embraces everything. There is the governmental aspect, on a state-to-state basis, and there is private enterprise. As you know, there are not many U.S. businessmen here, but there are a few, esecially in the petroleum sector. However, my visit was precisely an opportunity to encourage more private investment in our country. [end recording]

AL-MAJALLAH Interview With President Mubarak

PM251401 London AL-MAJALLAH in Arabic
24 Jun 87 p 13-16

[Interview with President Husni Mubarak by 'Uthman al-'Umayr and 'Abd al-Latif al-Minawi in Cairo; date not given]

[Text] This interview began by dealing with an event now taking place in Cairo; that is, the fair "Saudi Arabia, Yesterday and Today." President Mubarak said: This fair has many meanings. It confirms the firmness of the deep-rooted relationship between us and Saudi Arabia. As for the existence or nonexistence of ambassadors, this does not preoccupy my mind. The ambassador is assigned for protocol matters. I am pleased with the nature, development, and activities of this relationship. Here the fair "Saudi Arabia, Yesterday and Today," which I am inaugurating in the presence of Prince Salman [ibn 'Abd al-'Aziz, governor of Riyadh], serves as testimony to the firmness of Egyptian-Saudi relations and the continuation of our Arab contacts.

[*Al-Majallah*] What are the results of the efforts being made to reconcile Egypt and some Arab states, specifically Libya and Syria, especially since reports indicate that Yemeni President 'Abdallah Salih is mediating between you and Libya?

[Mubarak] Who said so?

[*Al-Majallah*] The Yemeni News Agency reported that the YAR is mediating between Egypt and Libya to resolve the problem of the two [Libyan] planes and other pending issues concerning Egyptian workers expelled from Libya.

[Mubarak] President 'Ali 'Abdallah Salih stressed the aircraft issue; we have handed over one of the two planes but we made it conditional that the Egyptians being detained must be returned to us before the other plane is handed over.

[*Al-Majallah*] Which of the two planes was returned?

[Mubarak] One of them. As for other matters, I hear and read about them in the press.

[*Al-Majallah*] In the near future you will be elected president for a second term.

[Mubarak] It is still too early to talk about this subject.

[*Al-Majallah*] Mr President, the question is: Will we see other candidates, let us say other competitors?

[Mubarak] They are welcome. The Constitution does not prevent any individual from going to the People's Assembly, obtaining two-thirds of the votes, and then being put to a referendum of the people. If the people agree, why not? Otherwise, the process would be repeated.

[*Al-Majallah*] We would like to be more optimistic about seeing another candidate sharing radio, television, and other media services with you.

[Mubarak] He would have the right to launch his own media campaigns; no one would stop him.

[*Al-Majallah*] You have been reported as saying that at the meeting with media officials, you said that you are the decision-maker and you will only listen to opinions. This prompted some journalists to say democracy in Egypt means just the freedom to express complaints and not a democracy of partnership. Therefore, as you prepare to enter a second presidential term we ask: Will you help to strengthen this concept?

[Mubarak] This talk is mere speculation. Throughout the world, views are listened to and a decision is then made, not the decision I want but the decision I find beneficial. I listen to all viewpoints and then I make a decision, because obviously I am in a better position than those who express opinions, since I am familiar with all aspects and since I shoulder the responsibility. It is I whom the people question. I do not refuse to listen to an opinion but I do reject the idea of an opinion being forced on me. It is necessary to listen to opinions, study them carefully, and then make the decision accordingly.

[*Al-Majallah*] Is there any intention to dissolve the People's Assembly? Voices of various political inclinations are expecting it to be dissolved, saying that the Assembly will not last for more than a year and that the next elections will be conducted on the individual system, of which you, as you have indicated, have begun to be convinced.

[Mubarak] This does not mean dissolving the Assembly. We do respect the popular will.

[*Al-Majallah*] What if a ruling is passed by the constitutional court regarding the unconstitutionality of the election law on the basis of which the current assembly was elected?

[Mubarak] Why should you be ahead of events and reach a decision on unconstitutionality? If this happens, the situation would be dealt with according to circumstances and the public interest.

[*Al-Majallah*] Your Excellency the President, how do you explain the incidents of violence Egypt is witnessing, despite the freedom of expression in the press?

[Mubarak] This is a world phenomenon. We have experienced only two or three incidents. Terrorism is everywhere. I am against those who believe that, had it not been for democracy, such incidents of violence would not have taken place or been publicized in this way and that, had it not been for democracy, everyone would have been imprisoned. In our opinion, this is not a sound measure and would not solve the problem. We cannot do this because democracy has a price; in fact most democratic states, such as Italy, Britain, and others, suffer from terrorism. The difference is that in dictatorial regimes such incidents tend to occur more often but no one hears of them.

[*Al-Majallah*] Is it your belief that the government did not take a preventive measure against extremist groups?

[Mubarak] What do you mean?

[*Al-Majallah*] I mean that, following the ruling to free a large number of those affiliated to the Al-Jihad Organization in 1984, this organization began to organize its ranks within some state services. The opinion was that this organization should have been hit and besieged right from the beginning so that its danger would not spread further.

[Mubarak] You are assuming a decision should have been made a year ago. I do not make that assumption.

[*Al-Majallah*] So, Your Excellency, how do you visualize a solution to the present extremist trends, be they large or small?

[Mubarak] I do not consider such trends religious; they are terrorist trends. Islam and Christianity do not approve of such operations. As I have already said, this is a world phenomenon not confined to Egypt alone; in fact it exists on a larger scale in many states in the world. To deal with such trends there should be a method for dealing with them, educating people, taking security measures, and also applying the law, allowing no neglect when it is a question of harm to the country's stability and the people's security. The problem is that the media only woke up when one of its number became the target of these operations. Some have not been their targets, while others have been the victims of their terrorism; there are some who support them, but they woke up when one of them was harmed.

[*Al-Majallah*] Why did writers not deal with these groups?

[Mubarak] Perhaps because of threat letters; and this is a problem.

[*Al-Majallah*] The Egyptian people are accused of passiveness toward terrorism, the proof of this being the response to assassination operations and the people's failure to cooperate in arresting and pursuing the perpetrators.

[Mubarak] The Egyptian people are not passive, but they were stunned by the occurence of such incidents, which are alien to their noble nature.

[*Al-Majallah*] Are there measures similar to those taken by the Western states with regard to regional cooperation to combat terrorism?

[Mubarak] With whom for instance?

[*Al-Majallah*]States in the region and states fraternal to Egypt.

[Mubarak] We actually cooperate with Arab states in anything new in this field and are ready for wider cooperation.

[*Al-Majallah*] How?

[Mubarak] Every country has its own situation which affects the method of cooperation. The matter requires consultation and coordination. For instance, overpopulation can be one of the factors. Other states do not suffer from economic crises or overpopulation but suffer other crises that may lead to terrorism. Every country acts according to its circumstances.

[*Al-Majallah*] With regard to Egypt, do you believe that foreign hands were behind recent terrorist operations?

[Mubarak] It is very possible that there are hands that do not wish to see stability in the region. They may have interests in the region and see terrorism as an important means of achieving their interests.

[*Al-Majallah*] Do you have evidence of the presence of these hands?

[Mubarak] In recent incidents it was proved that some of those involved were trained in certain foreign states. As for evidence about other foreign states, this is still mere suspicion. Our people are proud of their affiliation [to the homeland]. If there are some terrorist elements that want to penetrate the ranks of the people, the people will reject them.

[*Al-Majallah*] Iran was named in connection with some incidents.

[Mubarak] The hand of Iran is evident in some incidents; in fact the Iranians have even reached as far as Australia. For our part, we have closed down their embassy in Cairo and no representation now exists between us.

[*Al-Majallah*] Are there any efforts on the horizon to repair relations between the two countries?

[Mubarak] Iran and Egypt? When God shows them the straight path. We only deal with states to whom God has shown the straight path.

[*Al-Majallah*] Mr President, what is the latest on U.S.-Egyptian relations?

[Mubarak] Our relations with them are very normal.

[*Al-Majallah*] Is it because of the problem of the debts?

[Mubarak] We are not satisfied with the way they are dealing with us on the debts issue. We are now working toward finding a solution.

[*Al-Majallah*] What about the Soviets?

[Mubarak] Tomorrow I will meet with a Soviet official who is now on a visit to Cairo (the president has already met with the delegation).

[*Al-Majallah*] Do you expect an improvement in relations between you and them?

[Mubarak] Our relations with the Soviet Union are very good.

[*Al-Majallah*] Are you planning to visit the Soviet Union?

[Mubarak] There is no plan for such a visit.

[*Al-Majallah*] Have you not received an invitation?

[Mubarak] There have been no visits or invitations in this regard.

[*Al-Majallah*] If you receive an invitation would you accept it?

[Mubarak] It depends on the circumstances.

[*Al-Majallah*] And what is the situation now?

[Mubarak] Relations are good and there is appreciable trade exchange.

[*Al-Majallah*] Do I understand from this that your schedule does not include visits to the United States, the Soviet Union, or Western Europe?

[Mubarak] My schedule does not include any visits except the African summit.

[*Al-Majallah*] After the recent agreement with the IMF and the creditor states in Paris, how would you assess the Egyptian economy?

[Mubarak] The Egyptian economy is improving because the rescheduling of debts gives us a breathing space so that we can continue the development process.

[*Al-Majallah*] There is concern about the possibility of price increases within the coming few months. There is also media speculation supporting such a view.

[Mubarak] It is such media speculation that raises prices. We are lifting subsidies only on some commodities that the able can afford. For instance, we are increasing the tariff on electricity consumption that exceeds a particular limit: Those who consume 2,000 kilo [as published] a month obviously have electrical equipment that would classify them as able to pay. We are not increasing it for limited-income categories. The increase in consumption leads to the purchasing of new generating stations each of which used to cost 100 million [unit not stated] but now cost 800 million. So how can I provide electricity at 40-year-old prices? Where can we find the difference?

The able must pay. The problem is that it is the able who tend to make a fuss.

[*Al-Majallah*] Egypt is still in a dilemma between socialism and capitalism and between the open and non-open door policies. Do we expect President Mubarak to make comprehensive reforms in the Egyptian economy, like we see Mrs Margaret Thatcher planning to destroy socialism?

[Mubarak] Reforms have not stopped.

[*Al-Majallah*] We mean courageous radical reforms.

[Mubarak] I have nothing to do with Mrs Thatcher's situation. Britain has its own nature, people, circumstances, institutions, traditions, and way of life that is different from that of Egypt. Therefore I cannot do what Mrs Thatcher is doing in Britain. I only adopt the position suitable for the Egyptian people.

[*Al-Majallah*] With regard to free education, the public sector, and the representation of workers and farmers in the People's Assembly, do such matters still suit the Egyptian people after the change in economic concepts in the 1980's.

[Mubarak] Such matters have become part of the people's gains. To solve these problems there are other methods in which the people would participate. We only take measures that people agree upon. Any decision must be in the interest of the people and must benefit the poor.

[*Al-Majallah*] Are you happy with the opposition after the recent elections?

[Mubarak] Any regime has reservations about the opposition but in the end it is part of the institution of government not an independent system.

[*Al-Majallah*] Do you believe the opposition is responsible or partly responsible for the incidents taking place?

[Mubarak] We cannot say someone in particular is responsible. Egypt's parties collectively form the regime.

[*Al-Majallah*] Some sectors of the opposition have demanded the dismissal of the interior minister.

[Mubarak] I am not playing their game. I know what I want and how to act and am not ready to respond to such demands, which are always aimed at the interior minister. Do they want a sleeping interior minister whom they would accuse of laziness and negligence if a disaster took place and of whom they would then demand firmness? Name any interior minister in the world who is not targeted in the same way. In order to preserve security the interior minister can only be firm. If I listened to the demands of some papers I would have replaced an official every day.

[*Al-Majallah*] How are Palestinian-Egyptian relations developing at present? And are there any contacts with the PLO?

[Mubarak] What happened in Algiers [at the 18th PNC session] is unacceptable. As for the Palestinian cause, I will not abandon it because it is a people's cause.

[*Al-Majallah*] Is Egypt currently playing a mediatory role between Jordan and Israel?

[Mubarak] We and Jordan are in complete cooperation for the sake of the Palestinian cause. If King Husayn requires anything, we are ready to play our role.

[*Al-Majallah*] Israel has recently proposed the idea of a regional conference in the Middle East not to be attended by the two superpowers.

[Mubarak] We talked about an international conference and Israel agreed through its [former] Prime Minister Peres during a visit to Egypt. We are dealing with a state whose prime minister agreed. We are talking about an international conference in which all powers would participate since this would be a guarantee of rights. As for a regional conference, this would mean a

conference to be attended by the states concerned but not by the United State and the Soviet Union; they would intervene in the issue from outside. We believe the attendance of the two superpowers would be a political guarantee for a solution.

Agenda for Mubarak's U.S., European Tour Outlined

PM251615 Cairo AL-WAFD in Arabic 20 Jun 87 p 1

['Abd al-Nabi 'Abd al-Sattar Report: "European Tour for President Mubarak on His Way Back From Washington"]

[Text] On his way back from Washington, President Husni Mubarak is expected to make a European tour that will include the capitals of Britain, West Germany, France, and Romania. It was decided that President Husni Mubarak will visit the United States next November.

During his European tour, President Mubarak will hold talks with the leaders of these states on relations between Egypt and West European countries and the possibility of the EEC's participation in financing some projects in the 1987-1992 Second 5-Year Plan. Moreover, the talks will deal with the possibility of the European governments' intervening to persuade arms producers and manufacturers to stop supplying Iran with military equipment in order to limit the scale of the Iraq-Iran war and force Iran to respond to international peace endeavors.

Al-Wafd has learned that President Husni Mubarak will be holding extremely sensitive and difficult talks in Washington with the U.S. Administration, focusing on how to end the current conflict in the Arab Gulf, give impetus to normalizing Egyptian-Israeli relations in all fields, and persuade Jewish pressure groups in the U.S. Congress to agree to a program of increasing U.S. economic and military aid to Egypt. U.S. President Ronald Reagan is expected to intensify his attempts to convince President Husni Mubarak of the need to activate the peace process in the Middle East away from the international conference which the United States and Israel oppose. Egypt has recently refused to respond to the U.S. Administration's pressures to intervene and persuade King Husayn to enter into direct negotiations for a separate reconciliation with Israel under U.S. supervision, similar to the Egyptian-Israeli peace treaty.

Al-Wafd has learned that the delegation that will accompany President Mubarak during his U.S. and European tour is to include Dr Kamal al-Janzuri, deputy prime minister and planning minister, and Dr Salah Hamid, governor of the Egyptian Central Bank. During the tour, consultations will be held with a number of U.S. and European banks and investment companies on the possibility of their resuming financing for some vital projects in Egypt.

Official Denies Al-Qadhdhafi Message to Mubarak

NC251858 Cairo MENA in Arabic 1824 GMT 25 Jun 87

[Text] Cairo, 25 Jun (MENA) — An official Egyptian spokesman has denied that Egypt has received any message from Libyan Colonel Mu'ammar al-Qadhdhafi.

The spokesman was commenting on statements made by Al-Qadhdhafi that were published in today's edition of the Kuwaiti newspaper *Al-Ra'y al-'Amm*. Al-Qadhdhafi said that 2 years ago he had sent a message, written in his own hand, to Field Marshal Muhammad 'Abd al-Halim Abu Ghazalah, deputy prime minister and minister of defense and war production, which was carried by a university professor and intended for delivery to President Husni Mubarak. In this message, Al-Qadhdhafi stated, he had said that Libya is an extension of Egypt's strategic depth and that Libya's military power and capabilities were at the disposal of President Mubarak in the event Israel confronted him militarily.

The official Egyptian spokesman said that Egypt has not received any message from Al-Qadhdhafi related to this or any other issue.

AL-WAFD Claims Pressure Halted PRC Arms to Iran

PM251651 Cairo AL-WAFD in Arabic 22 Jun 87 pp 1,11

['Abd al-Nabi 'Abd al-Sattar Report: "Egyptian Pressure on China Succeeds"]

[Text] *Al-Wafd* has learned that Egypt has achieved enormous success through its strong pressure to persuade China to stop supplying Iran with Chinese arms, including the "Silkworm" missiles Iran has recently deployed along the Strait of Hormuz at the mouth of the Arab Gulf. China promised the Egyptian political leadership to stop military consignments to Iran. *Al-Wafd* has learned that Egypt exerted such pressure when requested by some Arab states to make direct contacts with the Chinese Government, since Egypt maintains close relations with China. The Chinese Foreign Ministry recently denied reports that it is involved in the Iraq-Iran war and that it is exporting advanced Chinese arms to Iran. *Al-Wafd* learned that China has requested some states that import Chinese arms to ban the sale or transfer of such arms to Iraq, Iran, or the GCC states at the present time. China has threatened to suspend military cooperation with any state that violates this decision.

Al-Wafd has also learned that some Arab states have asked the United States and European countries to put pressure on states that supply Iran with arms, foremost among which is China, to force them to suspend all aid to Iran so current efforts by the United Nations, other international organizations, and the two superpowers will succeed in putting an end to the Iraq-Iran war. China has recently rejected a Kuwaiti offer to fly the Chinese flag on Kuwaiti vessels shipping oil from Kuwaiti ports on the Arab Gulf. China has announced its commitment to a decision it adopted from the beginning of the war; namely, to be completely neutral toward the conflict between the two countries.

Agreement With USSR To Increase Volume of Trade

NC251515 Cairo MENA in Arabic 1320 GMT 25 Jun 87

[Text] Cairo, 25 Jun (MENA) — Egypt and the Soviet Union have agreed to sign a long-term trade protocol in Cairo this September. The protocol establishes the volume of trade over a

period of 3 years at 3 billion arithmetical [hisabi] sterling pounds; that is, 1.5 billion pounds for each side.

This decision was reached during the talks held between a Soviet delegation currently visiting Cairo under Rozanov, chief of consumer goods at the Soviet Foreign Ministry [name and title as received], and 'Adil al-Jarihi, under secretary at the Ministry of Economy and head of the trade commission.

Mursi al-Hilu, minister plenipotentiary of the trade commission, said the Soviet delegation visited the cities of Al-Mahallah al-Kubra and Damietta during the last 3 days to inspect the products made by the public and private companies covered under the protocol. Among other things, these products include furniture, ready-made clothes, leather goods, and sports shoes.

During his recent visit to Moscow, Dr Yusri Mustafa, minister of economy and foreign trade, had discussed with Soviet officials the feasibility of expanding the volume of bilateral trade from its current annual volume of 630 million arithmetical sterling pounds to 1 billion.

The Soviet delegation will leave Cairo for Moscow next Monday at the end of an 8-day visit to Egypt.

Government Negotiating Terms of Large IMF Loan

PM251525 Cairo AL-WAFD in Arabic 21 Jun 87 pp 1, 11

['Abd al-Nabi 'Abd al-Sattar Report: "Talks With IMF To Obtain $600 Million"]

[Excerpts] The Egyptian Government will hold talks this week with the World Bank delegation, which arrived in Cairo yesterday evening in complete secrecy. The talks will deal with the possibility of Egypt's obtaining a loan of $600 million to implement the Second 5-Year Plan projects in electricity, industry, and agriculture. *Al-Wafd* has learned that the delegation will discuss the economic reform program prepared by the Egyptian Government in accordance with IMF terms, which include price increases with regard to most basic commodities. [passage omitted]

The government is expected to announce increases of between 15 and 45 percent in the prices of these commodities at the beginning of July. At the end of last year, the World Bank refused to grant Egypt a loan of $300 million to implement vital projects in electricity and energy. The World Bank made it conditional that an agreement should first be reached with the IMF. The final agreement of this loan is expected to be concluded when the delegation views the study prepared by the Electricity and Energy Ministry to increase the price of electricity consumption for domestic, trade, and industrial purposes. *Al-Wafd* also learned that the Egyptian Government has delayed the announcement of the state general policy and general budget for fiscal 1987-88 so that IMF experts can view it and ensure that Egypt is committed to the terms specified by the IMF before they agree to grant Egypt new loans. The IMF previously made it conditional that subsidies be abolished on all commodities, public expenditure be squeezed, the levels of investment and manpower in the public sector be reduced, and a new pricing policy be pursued with regard to products in the industrial sector to cover huge costs.

World Bank To Provide Loan for Energy Projects

NC251230 Cairo MENA in Arabic 1125 GMT 25 Jun 87

[Text] Cairo, 25 Jun (MENA) — Economic and technical talks between the Electricity Ministry and representatives of the International Bank for Reconstruction and Development [IBRD] began in Cairo this morning. Electricity and Energy Minister Eng Mahir Abazah headed the Egyptian delegation, and the IBRD representatives were led by Constantine [name as received], the IBRD chief energy expert, currently visiting Cairo.

Following the first round of talks, the electricity minister said that the bank has finally agreed to grant a $300 million loan to Egypt to finance electricity generation and distribution projects outlined in the Electricity Ministry's Second 5-year plan.

The minister added that $190 million of the loan will be earmarked to finance the completion of the construction of the Damietta electricity plant. This plant will have an output of 900,000 kilowatts and will be operated by natural gas, which is abundant in that area.

The minister said the remainder of the loan will be used to finance two projects contained in the electricity ministry's priority plan, within the framework of the Second 5-Year Plan. The first project is the addition of a new 480,000-kilowatt unit to the southern Cairo electricity plant, and the second is the establishment of a 200,000-kilowatt unit in a plant in northern Cairo.

Eng Mahir Abazah concluded his statement by saying that once the loan agreement has been signed, the projects will be put out to international tender. In this way it will be possible to meet the demand for electrical power, which is increasing by 15 percent annually.

Prime Minister Sidqi Discusses Economy, Security

NC260729 Cairo Domestic Service in Arabic 0500 GMT 26 Jun 87

[Text] Prime Minister Dr 'Atif Sidqi has asserted that the government is working to promote democracy and the rule of law, pledging that there will be no turning away from democratic practices. He explained that the government seeks to implement the Constitution, with Islamic shari'ah as the main source of legislation. Sidqi noted that, as promised before the People's Assembly, the government has proposed no legislation in violation of shari'ah.

Commenting on the People's Assembly's deliberations last night, Dr Sidqi affirmed that the government is maintaining security and stability and will not hesitate for a moment to strengthen the Armed and Security Forces. Commenting on the economic situation, Dr Sidqi asserted that Egypt's economy is neutral, veering neither to the extreme Right nor the Left; that it acknowledges cooperative, public, and private ownership; and that it supports flexible economic planning. The prime minister

also affirmed that the government has no plans to lift subsidies and will endeavor to ensure that all those eligible will benefit from these subsidies, noting that the government is striving to determine the best means to accomplish this goal.

The prime minister revealed that efforts are underway to improve the structure of employment so that wages can be linked with production and prices and expressed hope that this study will be completed by October or November. He noted that the government is alert for any increased prices and will punish anyone manipulating the people's earnings. The Ministry of Supply will provide for the citizens' needs, he asserted.

Yesterday evening the People's Assembly approved the 1987-92 5-Year Plan, the 1st year's plan, and the state budget for fiscal year 1987-88.

Cooperation Agreements Signed With Kenya

NC251651 Cairo MENA in English 1540 GMT 25 Jun 87

[Text] Cairo, June 25 — (MENA) — Egypt and Kenya signed two agreements on cultural and scientific cooperation and cooperation in the tourism domain.

This took place at the close of the meetings of the joint Egyptian-Kenyan ministerial committee today.

Under the terms of the first agreement, the two countries will exchange teachers, scientists and publications in the field of preserving monuments and the development of museums. The agreement also provides for strengthening cooperation between the sports bodies in the two countries.

On tourism cooperation, the two countries agreed to promote tourist trips between them and encourage international tourism to the two countries through programs that would enable the visitor of one of the two countries to visit the other.

A joint committee in charge of tourism will be formed to draw up annual programs for tourism cooperation between them.

The Egyptian-Kenyan committee meetings had continued for three days co-chaired by Minister Dr Butrus Ghali, the minister of state for foreign affairs, and by Zacharia Onyonka, the Kenyan foreign minister, who is currently on a visit to Egypt.

This is considered the first meeting of the committee, in implementation of the agreement reached between President Husni Mubarak and Kenyan President Daniel Arap Moi, during President Mubarak's visit to Nairobi in February 1984.

Joint Communique Issued

NC260356 Cairo Domestic Service in Arabic 2100 GMT 25 Jun 87

[Text] Egypt and Kenya affirmed today that there will be no comprehensive and just peace in the Middle East without an accompanying recognition of the Palestinian people's legitimate rights, particularly their right to self-determination, as well as of the right of the region's countries to live within secure and recognized borders. The two countries also declared their support for convening, under UN auspices, an international conference on peace in the Middle East. These statements were part of a joint communique issued this evening at the conclusion of the first session of the Egyptian-Kenyan Joint Ministerial Committee.

Egypt and Kenya emphasized the need to preserve the OAU's goals and principles, particularly with regard to the resolution of conflicts by peaceful means and nonintervention in the internal affairs of African countries. They condemned the South African Government's racist actions and urged the international community to impose economic sanctions on the regime. The two countries declared their support for the Namibian people's right to independence, calling for the immediate implementation of UN Security Council Resolution 435. They also referred to the importance of promoting Arab-African cooperation and the need to bring about a national reconciliation in Chad.

The two countries expressed satisfaction at the tangible progress achieved in their bilateral relations, noting their determination to bolster existing cooperation in various spheres, to increase trade, and to exchange experts.

At the conclusion of the joint committee's meetings, the two sides signed one agreement on cultural and scientific cooperation and another on cooperation in the field of tourism.

Kenyan Foreign Minister Departs

NC260710 Cairo MENA in English 0655 GMT 26 Jun 87

[Text] Cairo, June 26 (MENA) — The Kenyan foreign minister left Cairo early today with his delegation after having taken part in the first meeting of the Joint Egypto-Kenyan Committee.

The visiting foreign minister voiced his happiness for the hospitality accorded to him by Egyptian officials and hailed the Egypto-Kenyan relations, which develop and deepen in the course of time.

In a pre-departure statement, he said that the increase of trade exchange between the two countries was among the prominent topics discussed in the talks.

He said the talks also dealt with the import of a great number of Egyptian products, indicating that there are many joint ventures undertaken by both countries.

Meanwhile, Minister of State for Foreign Affairs Dr Butros Ghali said relations between Egypt and Kenya are close in various fields.

While seeing off the Kenyan foreign minister, he told reporters that the Egypto-Kenyan talks stressed the importance of boosting bilateral cooperation in political, diplomatic, cultural and tourist fields. Dr Ghali said an agreement was reached whereby the number of Egyptian experts working in Kenya will increase.

Two agreements were signed yesterday by Egypt and Kenya at the close of the meetings of the joint committee in implementation of an agreement reached by President Husni Mubarak and Kenyan President Daniel arap Moi in February 1984.

Sidqi Receives Sudanese State Council Member

NC251317 Cairo Domestic Service in Arabic 1230 GMT 25 Jun 87

[Text] Prime Minister Dr 'Atif Sidqi received Sudanese State Council member Dr 'Ali Hasan Taj al-Din at his office this morning. The two countries' fraternal relations, particularly aspects pertaining to the implementation of the Brotherhood Charter in all fields to serve the Egyptian and Sudanese peoples' interests, were reviewed during the meeting.

Bangladesh Minister Leaves Cairo for Amman

NC251144 Cairo MENA in English 0730 GMT 25 Jun 87

[Text] Cairo, June 25 (MENA) — Minister of Religious Affairs of Bangladesh Maulana M. A. Mannan left here this morning for Amman, following a few days' visit to Egypt during which he delivered to President Husni Mubarak a message from President Hussain Ershad.

Mannan said before leaving that his visit to Egypt has been successful and that he has been entrusted with a verbal message from President Mubarak to President Ershad.

He said he has agreed with Grand Shaykh of Al-Azhar on seconding preachers to Bangladesh and on training ulema from Bangladesh in Cairo.

Mannan pointed out that he carries a message from President Ershad to King Husayn of Jordan, adding that he will discuss with Jordanian officials the feasibility of fostering bilateral cooperation in the various spheres.

Social Affairs Minister Returns From Moscow

NC260832 Cairo MENA in Arabic 0700 GMT 26 Jun 87

[Excerpt] Cairo, 26 Jun (MENA) — Dr Amal 'Uthman, minister of social insurance and social affairs, returned to Cairo this morning from Moscow. She had taken part in the international women's conference held in the Soviet capital on the theme "Women in the Year 2,000 and Peace and Development Without Nuclear Weapons." [passage omitted]

Industry Minister Leaves for Istanbul Conference

NC261329 Cairo MENA in Arabic 1305 GMT 26 Jun 87

[Text] Cairo, 26 Jun (MENA) — Industry Minister Eng Muhammad 'Abd al-Wahhab left Cairo for Istanbul today for a 2-day visit, during which he will attend meetings of the third conference of industry ministers of Islamic countries. The conference will begin on Saturday [27 June] in Istanbul and will last 2 days.

Before his departure, Eng 'Abd al-Wahhab stated that the conference members will discuss industrial development problems within the comprehensive efforts being made to achieve development. He added that they will also present certain ideas that can be applied by experts in various industrial fields. He stressed the need for industrial integration among Muslim countries in terms of technical specifications, as well as overcoming technological problems to achieve continuous progress.

The industry minister also expressed hope that Muslim countries can establish an Arab Islamic common market, similar to the European Common Market.

Al-Qadhdhafi Lectures University Students 21 Jun

LD221449 Tripoli Television Service in Arabic
1958 GMT 21 Jun 87

["Lecture" by Colonel Mu'ammar al-Qadhdhafi to students at unidentified Libyan university on 21 June — recorded]

[Excerpts] [passage omitted] Yesterday's lecture was a resume of the preceding one. Therefore, it became a lecture in itself, and today we shall talk about its review. It was, however, a resume of the lecture that preceded it — the one we delivered at the end of Ramadan.

The first point is that there is a real danger to the continued existence of the Arabs; the very Arabs who are the subject of this catastrophe are apathetic themselves. I feel that if the Arab destiny comes to an end, then Africa's progressive and Islamic peoples, as well as other Muslims around the Arab homeland, will [word indistinct]. Even if the Arabs are now at war with certain other countries -- such as Iran and Iraq and Turkey, since NATO is in Turkey -- which are hostile to the Arabs; the war in Chad; Ethiopia, which has problems with Sudan and is at war with Somalia, despite the existence of problems between the Arabs and their Muslim and non-Muslim neighbors, the end of the Arabs will lead to the end of these states too.

If the Arabs come to an end, then so will Iran, since the Arabs constitute a shield and a very important balance for the survival of the Iranian state. Iran should not believe that it would remain free and on the map were the Arab nation to disappear. The same can be said of Ethiopia — it would disappear if the Arab nation disappeared. As a result, Ethiopia, Iran, and possibly Turkey, as well as a group of small African states — particularly those that are predominantly Islamic — would disappear if the Arab nation disappears. What I mean to say is that there is a real danger but no one seems to be aware of it. An attempt is being made to preoccupy the Arabs and to deceive them so that they will not be aware of this catastrophe. [passage omitted]

The current Arab rulers and regimes in the Arab homeland are in a conspiracy with their masters, who want to seize and dominate this homeland. The allegations that Italy will not return to Libya, or the French to Algeria, or the British to Egypt and Sudan should not be believed. You should never believe such talk. The struggle between us and them continues. How many times have we fought battles against them during the last 100, 200, or 300 years, and how many times have we found ourselves fighting them again? Look at the struggle between Carthage, which was regarded as the Arab capital of the time on the Mediterranean's southern shore, and Rome, the capital of the Romans, on the other shore. The battles between them went on for hundreds of years. There may be no fighting for 100 years — that is to say, three generations without war — only for the fighting to resume once again after that. The fighting continued until Rome was able to capture Carthage and demolish it. However, the fighting began again and Rome once again returned andoccupied Libya. Its plan was to occupy Carthage, which is now Tunis, once again. However, it had been captured by the French. Italy had its eye on the entire region — Tunisia and Libya. It intended to seize North Africa down to Ethiopia and Somalia. In fact, it reached this area. But the French and the British took the parts that they wanted. Here it is on the map — Italy, the nearest state to this area — to Tunisia; it is the closest European country.

The European industrial states now constitute a real danger to the underdeveloped world. The Arab homeland will face the first danger in the future, as these industrial countries will invade and occupy it in order to make it a consumer market for their goods and to procure the raw materials they need to produce them. Theywill occupy the Arab homeland in order to release the pressure there. Even where tourism is concerned, the Europeans need the sun and these ocean shores; that is to say, the Europeans need to occupy these areas even for recreation. They are preparing to do just that. The occupation is inevitable. They plan to keep this homeland backward. They believe that the Arabs should not be allowed to grow powerful or their region to become a high pressure area.

They hope to expand at the expense of the Arab homeland. What is the answer? Now that we have outlined the problem, which is truly serious, that is what we intend to discuss today. This problem allowed us to understand why it is impossible for industries to be established in the Arab homeland. It also permitted us to understand why trivial rulers have succeeded and lived long lives in the Arab homeland, why very comical regimes were created there, why revolutions were aborted, and why serious forces disappeared. In addition, it let us know the secret behind the resolve to strike at the Jamahiriyah or the Palestinian resistance or Syria, and so on, even the Iran-Iraq war, the conflict in Chad, and southern Sudan. We understand the reason behind them all. Colonialism may be industrial colonialism now, but it will use military means to attain its industrial aims.

If we follow European military activity, we will see how interested the Europeans are, as though World War I or World War II were still going on. If you follow the joint military exercises staged by the European powers and the United States around the world, you would think that war would break out tomorrow, or that we were in the middle of such a conflict. Their official political activity is totally different from the popular climate prevailing in those countries: such as human rights, peace, democracy, humanity, and civilization. These are all empty words. They are military states preparing themselves daily by having a fearsome military force. They carry out training that costs millions; they hold maneuvers. They continue their preparations. They consider themselves at war, meaning that they should attack those areas where there is a vacuum, such as the Arab homeland. In 100 years at the latest, the world map will definitely be different. This is due to climatic reasons, and then to political and military ones. If we talk about 100 years, someone may say that this is a long time. What do you mean by a long time? Hundreds of years have passed since the Crusades, the Arabs' departure from Andalusia, and so on. [passage omitted]

The first step in a solution which, despite the fact that it contradicts a number of requirements, is essential for survival is to increase the Arab homeland's population. The Arab race should grow and reach the 1 billion mark as soon as possible. Naturally, I know that this runs counter to wealth, the economy, and prosperity. However, the prosperous life and the economy that we are talking about will, with a population of 150 million, lead

to our colonization. Then we will live an unhappy life and be the slaves of the colonialists. We have no alternative but to ensure a limitless population for the Arab homeland. All family planning measures currently in force in the Arab countries should be abolished. After all, these measures came to us from Europe, which occupies a small area with states desiring a fixed population. However, we are facing danger. The number of Arabs should be 1 billion, just like China. [passage omitted] All measures on family planning in the Arab homeland should be revoked. The political view should overcome the economic view. Decisions should be made in the Arab homeland to fight any measure on family planning. All pharmacies and doctors practicing family planning should be banned. [passage omitted] We should reach the billion mark quickly; otherwise, the Arab nation will come to an end. The Arabs as a race will wind up like the Red Indians. They will become a scattered and homeless people, with some living in Turkey, and others in Iran, Africa, and so on. [passage omitted]

The fertile area in the Arab homeland is now in southern Sudan. This is the only part of the Arab homeland with summer rains and rivers. This is in addition to the southern part of the Arabian Peninsula, where there is also summer rainfall. Rains fall on the southern part of the Arabian peninsula — Yemen and some sections of Saudi Arabia. However, summer rainfall there is sparse.

The southern Sudan is the most fertile area in the Arab homeland. This is because the area falls under the plan we spoke of. At the same time, the conflict proves the theory that the goal is to capture the Arab homeland's water resources and deprive the Arab race of water. When I addressed the Sudanese revolutionary committees, I told them that the word Anyanya — the movement which was established under the name of Anyanya I or Anyanya II, and may now even be Anyanya III — refers to a poisonous insect. In short, they are planting a poisonous insect in the south of the Arab homeland so that this bug will eat it. The name Anyanya was chosen for its meaning. I told them that as long as the southern Sudan is the most fertile part of the Arab homeland, it will be of interest to all Arabs and should not be compromised. In his political theory, Garang claims that he wants to liberate all of the Sudan in order to establish a revoluticnary progressive country. He denies that he is a secessionist. But Anyanya I and Anyanya II are secessionist movements seeking to split off southern Sudan. What we want is to talk about the vitality of this area without going into great detail, and, ultimately, to be able to explain the nature of the conflict going on there.

We did the same thing with the clash in the Syrian area, which they call the Middle East, between the Israelis and the Americanson one side, and the Arabs on the other. The Syrian area is vital, and the Israelis and the Americans want to expel the Arabs from it, for it has a network of rivers, which we have discussed. Some of these rivers have been captured by the Israelis. We said that we should not believe what they say — that the conflict is a fight against terrorists, and so on. Their goal is to capture water resources and deny them to the Arabs. Therefore, southern Sudan should be secured and relied upon, because it is an area which can support a large population.

The other point is that we should take this area into close consideration — Ethiopia, and the area it comprises. We have already said that if the Arab homeland comes to an end, then Ethiopia will come to an end. All those nations — Uganda, Kenya, Chad, Niger, Mali, Senegal, and a number of others, especially those with Muslims among their people — will be finished. If the Arab homeland and the Arabs come to an end, these states may be finished as well. They will have no one to defend them; they will have no support. The gap will be filled by hostile forces. Among the states that will be affected — the areas that will be affected — for good or ill by conditions in the Arab homeland will be Ethiopia. As we can see on the map, Ethiopia is surrounded by Arab countries. [Al-Qadhdhafi points to map] This is Somalia, to the south and east of Ethiopia, and this is Djibouti, to the north or northwest. There is a movement for the liberation of Eritrea. This is Eritrea; the people of Eritrea are considered to be Arabs and many Arab states help them for this reason. But the Arab race is not present solely in Eritrea. The Arabs are found throughout Ethiopia.

Therefore, Ethiopia or Abyssinia — I am referring to the word — means mixed races; this shows that it has mixed races. Arab migrants from Yemen settled there in ancient times. It could have been a country like the Sudan or Somalia, an Arab state. But it appears that the presence of an Amharic race led to the creation of this state. There are Arabs in every province of Ethiopia. With Eritrea in the area, the whole of northern Ethiopia appears to be Arab. Ethiopia is surrounded by Arabs. You have also heard about the movement that sought to detach the Ogaden. This is the Ogaden, the entire province in which there was a movement that saw itself as Somali. Somalia is an Arab state. Here is the Sudan — it is Arab. Here is Somalia, which is also Arab. See how Ethiopia is surrounded by Arabs. What I mean to say is that the situation is not ordinary; relations with Ethiopia are not like relations with Iran; there is no separation. Ethiopia is located in the middle of the Arab homeland. Thus, it is affected by the situation. Haile Selassie used to harrass Arab nationalism. The Americans used him against these areas where there were Arabs, such as Bab al-Mandib, and so on.

However, the answer is not hostility toward Ethiopia or Ethiopian hostility toward the Arabs. Ethiopia should not encourage any secessionist movements in southern Sudan, Somalia, or anywhere else, and the Arabs should do the same. Otherwise, hostility will be mutual. This would lead to a change in the entire map. Ethiopia may be divided; Somalia and southern Sudan may be divided. After all, there are secessionist or revolutionary movements — call them what you will — in these countries. They are two sides of the coin. The Ethiopian highlands are very rich in water; it rains all the time, and there are many rivers and lakes. This area can support a large population. Thus, it is inevitable that we would think to exploit the area from Somalia to Ethiopia to Sudan and the Nile Valley from the Arab and Ethiopian points of view. The area should be exploited in the interests of mankind there.

Do you understand? The area extending from Somalia to Sudan through Ethiopia is a vital part of the Arab world. The future of Ethiopians and Arabs in this area should be secured, and we are placing great hopes on this. This area is in addition to the region where they planted the Israelis — the Syrian coast. It is an area

with rainfall and rivers; rivers also originate in this area. You can see that this is the only Arab area where rivers originate; it is the Syria area. They planted the Israelis there. Their goal is to deprive the Arabs of this vital region.

Therefore, it is inevitable that we should liberate Palestine and put an end to the Zionist entity, the sponge they have placed in this area to absorb the waters of this vital zone. The Tigris and Euphrates originate in Turkey; this means the rains fall on Anatolia and form these two rivers. The Nile originates in the African lakes and southern Sudan. But the Syrian area — the Yarmuk, Litani, Asi, and Jordan Rivers — is the only area which has rivers drawn from Arab sources. The West is determined that their cat's-paw and bridgehead, which is called Israel, should take this area and kill the Arabs there; deliberate, premeditated mass murder with aircraft, gas, tanks, and so on. They have decided to kill the Arabs in the Syrian area in order to take that rich place from them. After all, it is an artery that must be denied to the Arab nation. One half of the fertile crescent is the Syrian area; the other half is Iraq. Together they form the shape of a crescent. They want to deprive the Arabs of the fertile crescent. They may get Turkey to stop the flow of the Tigris and Euphrates. There are problems with this, especially where the Euphrates is concerned, between Syria and Turkey. Turkey may stop the flow of these waters. 'Abd al-Nasir tried to build a dam on the Euphrates during the era of unity between Egypt and Syria. [Unidentified person reminds Al-Qadhdhafi that there is a dam on the Euphrates in Turkey] Yes, yes, there is a dam in Turkey limiting the flow of the Euphrates. I know that there is a serious problem between Syria and Turkey over limits onthe flow of water from its sources.

The other political point is that we should transform our nation into a state, not vice versa. Somalia is a state; Djibouti, which you can only see under the microscope, is a state; here is Yemen, with its two parts; this is where the donkeys are tied up. [Al-Qadhdhafi points to Oman on the map] Here are the dwarf states of the Gulf and here are the others. They are all states, and we see them in terms of a nation; this kills the nation. If states have become an expression of a nation, that kills the nation. Why? Because the state, and not the nation, becomes the focus of attention. This means that Somalia will look after itself and another state will be interested in itself; one will go to the East and another will go to the West; this one will become a lackey; this one will opppose the other; and so on. The nation will be torn asunder.

The expression of a nation in terms of states is at the expense of the nation. After all, these states will replace the nation; there will be enthusiasm and zeal for the state and not for the nation. Now we are raising the flag and talking enthusiastically about pan-Arabism and the need to defend it. However, these are but words. Each one of us is enthusiastic about his own country. One is enthusiastic about his country's government, and another about his country's his president or monarchy. One follows France and one follows the United States. They express the nation in terms of states, and herein lies the danger. The nation should be turned into a state. This point is very important politically, and you should be aware of it. Iran is a nation and a state; the Israelis have a state and a nation; Turkey is a state and a nation; maybe Ethiopia is a state and nation as well. The Americans, the Italians, and the others are all states and nations. France is a state and nation. Why did they divide Germany? They want to put an end to this idea. They create states instead of a nation — West Germany, East Germany, Federal Germany, Democratic Germany — everyone calls them something different.

After World War II, the four major powers wanted to put an end to German efficiency so that it would no longer be a power and put them on the spot. They placed Berlin under the mandate of the four major powers and divided Germany. Those who divided Germany have divided the Arab homeland. I hate the word Libyan. Call me whatever you like, but do not call me Libyan. The word Libyan is the same as Mauritanian, Qatari, Iraqi — particularly since the word Libyan was created by the Italians; they called us Libyans. They gave us another identity, not an Arab one. We are not Libyans; my father, grandfather, and grandmother were not Libyans. Libyans are Arabs. [passage omitted]

The other point is the desert, which separates Arabs from Africans. The Arab homeland may be joined with other areas, but not through Ethiopia, Somalia, and Sudan. Beyond that is desert, and the desert will be of no value if this need — the need for the Arabs and Africans to come together — is not stressed. We should remove the enmity which the West has planted in the minds of black Africans toward their Arab brothers. The desert will act as a barrier. You know that both France and the United States are in Chad. There should be a wall preventing both the French and the Americans from reaching Libya.

This is southern Algeria; this is southern Libya; this area here is southeast Mauritania. As long as there is no water near here, there is no need to forge links with this region. On the contrary, it should be made a barrier to protect the Arab homeland until the latter grows strong. Naturally, this does not prevent us from extending a helping hand to our brothers in Africa. We mean the colonialists, who may be in the African countries and who apply pressure on the Arab homeland from the south, just as they are doing from the north and through the Israelis from the northeast.

One problem will remain — the problem of the Tibesti area. This is the only area located right in the heart of the great Sahara. The Tibesti will always remain a problem. Why? Because when you separate Libya from Chad, Algeria from Niger, and Libya from Niger, you may find a desert — the great Sahara — separating them until we reach the Niger River — here it is on the map — and the Chari River in Chad and Lake Chad, where summer rain falls. The rest of the area is desert and nothing but desert until you reach the Arab countries to the north. This desert can remain a barrier. However, right in the heart of the Sahara we see Tibesti — here it is on the map. In fact, Tibesti is not Arab so that we can say it could join Libya. However, it is not African right in deepest Africa — in the rainy area beyond the Sahara. Tibesti is situated in the middle of the great Sahara. It will remain a problem that you should solve — to join Libya or disappear totally. All such solutions are possible. It will remain a problem, just like Ethiopia as far as the Arabs are concerned.

Colonialism is trying to implant enmity but we want unity — Ethiopia to unite with the Arabs, and the people of Tibesti to

unite with the Libyans. This is the peaceful and appropriate solution that benefits both sides. Otherwise the desert barrier should be extended to prevent its exploitation.

We said that without a miracle, the future of the Arab nation will be in jeopardy. What miracle will make us breathe easy and lead us to believe that we have saved our very being? The miracle will not happen just like that; it is a scientific miracle requiring concentrated Arab efforts. I mean financial and human investment. It requires willpower. This may produce the miracle — the control of an energy source — solar or atomic energy. Oil is also considered energy, but it is limited. Solar and atomic energy, though, are permanent; the sun and the atom. The miracle will happen if we succeed one day and overcome the problem of harnessing solar or atomic energy.

This will lead to the desalination of seawater, making the sea a source of life. For your information, the desalination process has made little progress in the world, as the industrial states are the ones engaged in its research, and they have no need to purify seawater. They have fresh water resources — rivers, rain, and snow. Thus, no one is working to convert seawater into fresh water for use in agriculture. Because we are ignorant, we think that it is impossible to turn seawater into fresh water except with the known limitations by using the hydroelectric stations we buy from Europe. There is a desalination plant in Ajdabiya for the townspeople. However, they moved there without any planning. There is also a desalination plant in Tobruk, where there is no water and it is exposed to rain. There are are small desalination plants in Zuwarah, Surt, and so on. These plants are power stations built on the seashore; they desalinate seawater in quantities sufficient for drinking — small quantities for drinking but at high cost. [passage omitted]

The miracle will occur when we control solar and atomic energy. Consequently, a great effort should be made in education, investment, and everything else in the Arab homeland to achieve the control of atomic and solar energy. We can provide infinite possibilties for creating a source of life in the Arab homeland by utilizing the atom. This also applies to solar energy.

My aim is to progress toward the sea as long as there is no rain and no snow. One must move toward the sea: the Atlantic, the Mediterranean, the Red Sea, and the Arabian Gulf, as well as the Arabian Sea in the Arabian peninsula. These must all be looked upon as sources of life. However, one must control the energy we use in order to exploit this seawater.

All the sciences, knowledge, and programs followed in the Arab homeland seem absurd as long as the homeland is in this bad situation, with a worsening future yet with these possibilities that can be exploited to save this homeland from darkness. How can all the studies, research, and efforts be channeled to realize this miracle: the control of energy?

These are (?not) marginal issues. Atomic energy is (?something) they use to intimidate us even more. You must not make atomic energy. It is forbidden to run electricity from it. You must not make the atom bomb. They make atom bombs daily; why should we not do likewise? The Arabs must possess the atomic bomb to defend themselves until their numbers reach one billion, until they learn to desalinate seawater, and until they liberate Palestine. We undertake not to drop the atomic bomb on any state around us, but we must possess it. [passage indistinct] The hell with them and with their peace and (?alliance)! They say: You are criminals, warmongers, and terrorists. [passage indistinct]

When I spoke to the Chinese leader about industry, I asked him how China, which is poor, had managed to attain the atomic bomb. China is very poor. However, the Chinese today, who can only afford a donkey, are respected by the American, who flies F-111's because he cannot [words indistinct]. The Arab rides in a Cadillac, yet the American comes along and spits at him and beats him with whatever is handy. What about this? The Chinese who rides a donkey is respected because his nation is (?strong) and possesses the H-bomb. When I asked the Chinese leader why, he replied: We do not want to develop the atomic bomb, nor do we want atom bombs. I know my country is poor, but we want to show those who possess nuclear weapons that if there is a game using atomic bombs, China can play it. Therefore, they should respect China. (?If they were to use atom bombs) on China, half the country would be killed. We wanted to show them that if they are going to play games with this weapon, they cannot play it against China.

The Arabs should adopt the same logic. If there is going to be a game using atomic bombs, then it should not be played against the Arab nation. The Arabs should have it, but we undertake not to drop it on anyone. However, if someone is going to drop one on us, or if someone is going to threaten our existence and independence even without the use of an atomic weapon, then we should drop it on them. This is an essential defensive weapon. We should destroy the myth and fear of talking about the atom bomb. If you talk about an atom bomb for military purposes, you automatically become a criminal. They themselves are building bombs every day; they develop bombs and arm outer space. But when it comes to us, they say: You must keep silent; you must not speak. They have even organized a concentrated propaganda campaign against a power station. How dare you build an atomic power station?! They (?opposed it); they (?fought against) Libya having one. They put Libya 4-6 years away from having one. Why? They said that it was because an atomic power station built with Soviet cooperation might lead to the manufacture of an atom bomb. They (?started) to increase the pressure. Why do the Arabs not possess the right to build an atom bomb?

We should be like the Chinese — poor and riding donkeys but respected and possessing an atomic bomb. Then they will not be able to fool anyone with this weapon. [passage omitted]

Al-Qadhdhafi Interview on Mideast Issues Cited

LD250934 Kuwait KUNA in Arabic 0746 GMT 25 Jun 87

[Text] Kuwait, 25 Jun (KUNA) — Libyan leader Colonel Mu'ammar al-Qadhdhafi praised Kuwait's balanced policy and said that this stems from sound Kuwaiti convictions. He reaffirmed Kuwait's right to take whatever measures it deems appropriate, free from any pressure, to protect its interests, installations, and oil tankers. He said that he had submitted protests to Iran more than once because it had attacked Kuwaiti targets and had harrassed Saudi Arabian tankers.

In an interview with the Kuwaiti newspaper *Al-Ra'y al-'Amm* published here today, Col al-Qadhdhafi asserted his opposition to the continuation of the Iran-Iraq war and added that he is determined to make every effort to end this conflict. This is because it is a war that exhausts the energies of the two combatants and inflicts heavy losses on them. The ones who benefit from the conflict, he stated, are Zionism and imperialism, since Zionism aims to eliminate both the Iraqi and Iranian forces. The Libyan leader expressed hope that the war would not be expanded. He affirmed: We should work to confine its scope and to end it.

He pointed out that there is a certain wing, a fifth column within the Iranian revolution in addition to the agents of Israel and the United States. Al-Qadhdhafi stated: The United States and Israel want this war to continue. We are not surprised to see Israel supply Iran with weapons to encourage the conflict's continuation. The Americans do the same, but this is not out of love for Iraq and Iran; they hate both Iran and Iraq and want to destroy their armies. The United States and Israel seek to destroy Iraq's military, which is the strongest Arab force, and eliminate the Iraqi Army, Iraqi oil, and Iraqi energy. The Israelis encourage the war's continuation to waste Gulf energies.

Col al-Qadhdhafi expressed his belief that the war benefited Iraq with regard to experience. He declared: "I consider its rulers to be more realistic and more responsible than other Arab leaders."

He affirmed his support for Syrian-Iraqi rapprochement and expressed his readiness to exert greater efforts to achieve this.Unifying Syria and Iraq is a pan-Arab duty.

The Libyan leader revealed that next November the establishment of a federal state between the Libyan Jamahiriyah and Algeria will be declared. This federation will possess a unified federal leadership and institutions. After a few years, the arrangement may develop into a comprehensive federal experiment.

He did not rule out Syria's joining this union, since Syria is targeted by Israel and colonialism. If Syria falls, there will be no obstacle to colonialist and Zionist regional advances. Syria represents the strongest military force after Iraq.

Col al-Qadhdhafi referred to Libyan-Egyptian relations, stating: "First of all, we oppose the normalization of Egyptian-Israeli relations, as well as the Camp David agreement. This agreement has done great harm to the Arab world and has squandered 20 years of Jamal 'abd al-Nasir's efforts in Africa in support of Arab issues. The Egyptian regime canceled out these efforts by signing the Camp David accords. Nonetheless, we stand with Egypt in the face of any Israeli threat."

He added that he had personally written a message to President Husni Mubarak 2 years ago in which he reaffirmed that "Libya represents Egypt's strategic depth. Libya's military strength and Libyan capabilities are at your disposal should you be confronted by an Israeli military threat."

Col al-Qadhdhafi expressed his belief that what was achieved in unifying the Palestinian detachments at the PNC meeting in Algiers is a positive factor that should not be compromised. He stated: We are continuing our efforts to achieve Palestinian national unity as there are still several forces not included in this unity.

The Libyan leader then discussed the camps war in Lebanon and declared: We regard the camps war in Lebanon as a crime. Whoever fights against the Palestinian camps is an agent of Zionism and fights on Israel's behalf. What pride can an Arab take in fighting against the inhabitants of Palestinian camps and in destroying these camps? This is an action that serves Israel's plan for annihilating, disarming, and weakening the Palestinian people. It is very painful to see Arabs fighting against the Palestinian camps.

Col al-Qadhdhafi pointed out that from time to time Palestinian officials visit Libya, including [PLO Executive Committee member] Khalil al-Wazir; Abu Jihad, the deputy commander in chief of the Palestinian Revolution Forces; Faruq Qaddumi, head of the PLO's Political Department; and others. Dialogue and discussions then take place between them.

He stated: What concerns us in the first place is Palestinian unity and to see their alliance with Syria restored, and after this, to see Palestinian-Libyan relations develop.

In reply to a question on whether Syria alone can face Israel, despite its capabilities and weapons, Col al-Qadhdhafi replied: War against Israel is an pan-Arab responsibility. Syria alone cannot fight Israel unless an end is put to Arab differences and unity of the Arab ranks is achieved. As Israel receives support and backing from the United States, we must strike at U.S. interests in the region. This is the responsibility of the Arab masses.

He added: The United States is a bitter enemy of the Arabs, and its presence in the region is a danger to the Arab nation. This is because the United States wants to enable Israel to control the Arab east: The United states wants to dominate the entire Arab homeland, from the Strait of Hormuz, through the Suez Canal, to Gibraltar and the Mediterranean coast.

Responding to a question on the possibility of counting on the USSR in the event of a break in relations or a strike at U.S. interests in the region, the Libyan leader stated: It is necessary to rely on ourselves. First, the Soviet Union is a friendly state; it is an Arab ally and it is hostile to the United States. As the old saying goes: An enemy of my enemy is my friend.

He added: We should not forget that the Soviet Union holds positive stances on Arab issues at the Security Council and the United Nations. There is no harm in consolidating relations with it on strategic bases, and relations of interests based on mutual respect. It is not necessary for us to be communists to deal with the Soviet Union, contrary to what the United States demands from others.

Col al-Qadhdhafi then spoke about relations with Britain and its views concerning the Arab nation. He stated: Britain harbors

concealed hatred toward the Arabs. It is a crusader state. In the Thatcher era, Britain is regarded as a tool of the United States, particularly against the Soviet Union, the Arabs, and Palestine, since Thatcher was the first British prime minister to visit Israel. This is a challenge to all Arabs.

As for France, he said that relations with that nation "are there for establishing understanding. Relations with France are not poor as some might think. The only bad thing about France is that it maintains and wants to reinforce the old ugly military face of colonialism. It deals with others in the language of military bases. We oppose France and adopt a hostile attitude toward it because it is a colonialist state in Africa, but its policy differs from that of America. It does not submit to America as some other states do."

The Libyan leader pointed out that he would attend the Arab summit conference in Riyadh if it is held. He declared: We have begun contacts with the brothers — the rulers of the Arab states — and have reaffirmed the necessity of convening this summit conference in the 9th month of 1987.

Finance Minister Outlines 7th Development Plan
LD252259 Tunis Domestic Service in Arabic
1700 GMT 25 Jun 87

[Excerpts] The Great Struggler, His Excellency President Habib Bourguiba, chaired the regular Council of Ministers meeting this morning at his residence in Murnaq. [passage omitted]

Following the deliberations, Minister of Information Abderrazak Kefi stated: The minister of planning and finance presented the draft seventh development plan for economic and social development. The minister explained that the plan was prepared according to the president's directives, after he was briefed on an evaluation of the sixth development plan and the seventh development plan's general direction.

The minister stated that the plan's preparation was the result of wide national and regional consultation. He then explained that Tunisia will face three major challenges during the plan period; namely, employment, regional development, and in particular, the balance of payments. The employment challenge is highlighted by the anticipated demand for work: 345,000 jobs, as compared to the 324,000 called for by the sixth development plan. This increase requires creating more jobs to avoid any aggravation of unemployment and to achieve lasting incomes and a dignified life for our citizens.

The important challenge for regional development is getting citizens to remain in their natural environment and limiting migration from the nation's western regions to the coast as much as possible. If this migration continues in the same manner, it will create a great imbalance in society.

The third and most important challenge concerns managing the balance of payments, for this factor has a great effect on the two other concerns. Due to an anticipated increased strain on the balance of payments and difficulties with exports, exchange rate fluctuations will occur with regard to external loan levels and oil production. This is because the burden of repaying debt incurred through the end of 1986 will total about 4.19 billion dinars, 24 percent of the estimated current accounts receivable for that period. Oil prospects suggest, in the absence of any new oil field discoveries, the current surplus account's gradual disappearance. This suggests a deficit at the plan's conclusion of an estimated 50 million dinars in 1991.

In the face of these challenges, this plan is an attempt to reconcile ambition with realism. It responds as much as possible to our expectations and avoids risks and any mistakes that might prevent objectives from being attained. The plan's ambition is displayed by the development, employment, investment, and export levels it strives to achieve.

First, it seeks a 4 percent annual growth in gross domestic product at fixed prices, compared with a figure of only 2.9 percent under the sixth plan. This growth depends primarily upon agriculture, which is expected to grow 6 percent annually at fixed prices. Most of this increase will be in cereals, animals, and deep-sea fishing, both to reduce imports and consolidate our exports.

It will seek to reduce the sixth plan's 160 million dinar deficit in foodstuffs to approximately 140 million dinars under the seventh plan. This growth also depends upon the manufacturing sector, which will grow by 6.3 percent, and tourism, which must increase by 7.5 percent.

Second, it seeks to create at least 240,000 jobs in nonagricultural sectors, if complementary measures of the national solidarity effort and the regional development program create additional jobs and reduce the need for employment. [passage omitted]

Third, it seeks the allocation of 10.4 billion dinars for investment. Priority is given to agriculture, which will absorb roughly 20 percent of the total figure, compared to the 16 percent share it received under the sixth plan. Priority is also generally given to small- and medium-sized productive, labor-intensive projects; their share of total investment will climb to 26.6 percent, compared to only 19 percent under the sixth plan. [passage omitted]

In line with our policy of advancing the individual, and despite the great pressure on the state's budget, the plan allocates significant sums for the social sectors. About 270 million dinars are assigned for education and scientific research, 142 million dinars for public health and family planning, 30 million dinars for youth and athletics, and about 21 million dinars for cultural matters. [passage omitted]

Finally, this plan's ambition is highlighted by the level of exports. This is planned to increase 8 percent annually at fixed prices in relation to non-oil products, compared with sixth plan's rate of 2.3 percent.

This development particularly depends upon tourism, which will produce 600 million dinars annually in hard currency and thus assume the No 1 position among export sectors. It also depends upon the manufacturing industries, which should significantly increase annual exports by 9 percent at fixed prices. [passage omitted]

The minister stated that the government paid a great deal of attention to securing needed external financing in addition to internal resources. Our Paris and London contacts made the countries and financial establishments negotiating with us understand the importance and effectiveness of our reform program and development plan. We achieved a great response toward and absolute support for the serious and responsible development work we have undertaken, and secured a frank expression of these parties' readiness to continue backing Tunisia's economic development. [passage omitted]

KUWAIT

Foreign Undersecretary Meets With Soviet Envoy

LD251820 Kuwait KUNA in English 1732 GMT 25 Jun 87

[Text] Kuwait, June 25 (KUNA) — Acting Foreign Undersecretary Faysal al-Mutawa' Thursday met with Soviet ambassador to Kuwait Ernest Zverev for discussion of developments of the situation in the Arabian Gulf and the regional and international moves to end the Iraq-Iran war. Al-Mutawa' told KUNA that Soviet and Kuwaiti policies toward what is going on in the region are identical to a great extent.

Zverev explained results of the Soviet deputy foreign ministers late visit to both Tehran and Baghdad, Al-Mutawa' added.

The Kuwaiti official also met today with the Pakistani ambassador here Khalid Saleem where bilateral relations and developments of the situation in the region were discussed. Al-Mutawa' briefed the Pakistani diplomat of the Kuwaiti plan which is currently being relayed by Kuwaiti minister of planning Seyyid 'Ali to President Ziaul Haq from his highness the Amir Shaykh Jabir al-Ahmad, who is current chairman of the Organization of Islamic Conference.

Saleem on his part informed the Kuwaiti diplomat of an intended visit by Pakistani foreign undersecretary to Kuwait within the framework of a tour that will also include a number of the region's countries to explore the situation in the area. Date of the tour was not revealed.

Al-'Usaymi: Regional Tour To Deescalate Tension

LD260913 Kuwait KUNA in English 0758 GMT 26 Jun 87

[Text] Kuwait, June 26 (KUNA) — Minister of State for Foreign Affairs Sa'ud Muhammad al-'Usaymi Friday said that Kuwait's current diplomatic drive was aimed at deescalating present tensions in the region. He added that the tour made by Deputy Premier and Foreign Minister Shaykh Sabah al-Ahmad of the five Gulf Cooperation Council states and his personal visit to Amman and Damascus was part of that drive, ordered by H.H. the amir.

In reply to questions by KUNA, the official explained that personal envoys of H.H. the amir would be dispatched to a number of Arab and Islamic countries carrying messages from his highness the amir to those leaders. Minister of Awqaf and Islamic Affairs Khalid Ahmad al-Jasir is scheduled to leave today for Morocco and Mauritania, Al-'Usaymi indicated, adding that a second amiri envoy, Minister of State for Cabinet Affairs Rashid 'Abd al-'Aziz al-Rashid will be departing Friday on similar missions to Tunisia, Algeria and the Libyan Jamahiriyah.

Other Arab capitals in addition to Turkey and Pakistan would be covered by some ministers and adviser at the Amiri Diwan 'Abd al-Rahman Salam al-Attiqi as of early next week, the official stated. Al-'Usaymi described the Kuwaiti drive as another tributary to international efforts being exerted to stop the destructive Iraq-Iran war, whose continuation benefits only the Zionist enemy, he concluded.

OMAN

Kuwaiti Envoy Arrives in Muscat With Message

JN251431 Muscat Domestic Service in Arabic 1300 GMT 25 Jun 87

[Text] His Excellency Shaykh Sabah al-Ahmad al-Jabir, Kuwaiti deputy prime minister and foreign minister, arrived in the country this afternoon on a short visit to the Sultanate. His excellency made a statement to a radio correspondent and reporters. He said that he is carrying a written message to His Majesty Sultan Qabus ibn Sa'id from his brother His Highness Shaykh Jabir al-Ahmad al-Jabir, amir of Kuwait. The message deals with holding consultations on developments in the region and all that would maintain peace and security in the region. In his statement, his excellency regretted the attacks on oil tankers in the Gulf. He said all GCC states completely support freedom of navigation in international waterways.

His Excellency Shaykh Sabah al-Ahmad al-Jabir answered a question on whether the GCC states are considering another way to transport their oil. He said that the GCC states have not yet agreed on a certain plan, but they are talking among themselves about finding another way to export their oil. His excellency said that he hopes they will not have to use a waterway other than the Gulf.

Shaykh Sabah al-Ahmad al-Jabir was welcomed by Faysal ibn 'Ali ibn Faysal, minister of national heritage and culture; Hatyam ibn Tariq ibn Taymur, Foreign Ministry under secretary for political affairs; and the Kuwaiti charge d'affaires in the Sultanate.

PDRY

Meetings Continue After Party Conference Ends

Al-Bid Receives Arab Communists

EA252020 Aden Domestic Service in Arabic 1230 GMT 25 Jun 87

[Excerpts] Brother 'Ali Salim al-Bid, secretary general of the YSP Central Committee, today received Arab communist and workers parties delegations that participated in the general party conference. During the meeting, the comrade representatives of Arab communist and workers parties conveyed to the brother secretary general greetings and congratulations from Arab communist parties and the communist movement on the conclusion of the general party conference. [passage omitted]

The brother secretary general expressed his happiness and that of his comrades in the political leadership over the participation of the delegations from the sisterly Arab communist parties in the work of the general party conference. He also thanked them for their expressions of comradely and principled solidarity with the YSP and the Yemeni people.

He pointed out the important results and conclusions reached by the general party conference and said: We will strive to implement and apply these results and conclusions so that we can link words with deeds. He stressed that a persistent struggle was taking place to reinforce the party's leading role in society and the country. A stronger party role will guarantee the creative implementation of all the programs and plans of the party and revolutionary government. Militant cooperation between the YSP and the Arab communist parties was discussed during the meeting. Means of developing this cooperation so as to promote joint militant goals was also reviewed. Brother Muhammad Sa'id Abdallah Muhsin, member of the Political Bureau and secretary of the Central Committee, attended the meeting.

Muhsin Receives Sudanese Team

EA252209 Aden Domestic Service in Arabic 1630 GMT 25 Jun 87

[Text] Brother Muhammad Sa'id 'Abdallah Muhsin, member of the Political Bureau and secretary of the Central Committee, today received the Sudanese CP [SCP] delegates who participated in the general party conference. He discussed the comradely relations between the two fraternal parties and the situation in the area with them.

The SCP representative expressed admiration for the successes achieved by the general party conference, the responsible spirit of the party members, and the democratic atmosphere prevailing over the conference. On behalf of the SCP he wished the comrades of the YSP success in creatively implementing the solutions of the general party conference in a manner serving the development of the Yemeni experiment and the regime in Democratic Yemen under the leadership of the YSP.

Replying, Brother Muhammad Sa'id Abdallah Muhsin expressed his and the YSP members appreciation for the noble feelings and the sincere attitude of the SCP and the fraternal Sudanese people toward the YSP and the Yemeni people. He also stressed his party's policy to develop the militant relations between the two fraternal parties in the interests of the Yemeni and Sudanese peoples.

QATAR

Amir Receives Message From Kuwait's Shaykh Jabir

JN251120 Doha QNA in Arabic 0845 GMT 25 Jun 87

[Text] Doha, 25 Jun (QNA) — His Highness Shaykh Khalifah ibn Hamad Al Thani, amir of Qatar, has received a written message from His Highness Shaykh Jabir al-Ahmad, amir of Kuwait, dealing with the latest developments in the region. His Highness Shaykh Hamad ibn Khalifah Al Thani, the amir's deputy and heir apparent, received the message this morning when he received Shaykh Sabah al-Ahmad, Kuwaiti deputy prime minister and foreign minister.

Shaykh Sabah al-Ahmad left Doha for Abu Dhabi later this morning as part of his current tour of GCC states. So far he has visited Saudi Arabia, Bahrain, and Qatar to convey messages from his highness the amir of Kuwait to GCC leaders.

Visit by Algerian Deputy Chief of Staff Cited

Arrives in Riyadh 19 Jun

LD192201 Riyadh SPA in Arabic 2100 GMT 19 Jun 87

[Text] Riyadh 19 (SPA) — Brigadier General Khalid Nizar, deputy chief of staff of the Algerian National People's Army, arrived in Riyadh this evening for a visit to the kingdom that will last several days. He will visit the various sectors of the Armed Forces.He will also acquaint himself with the level of development achieved by the Armed Forces in the fields of training and armament. In addition, he will meet with a number of Defense and Aviation Ministry officials. He was received at the airport by commander of the land forces, Lieutenant General 'Abd al-Rahman Al-Rashid; the Algerian ambassador to the Kingdom; and senior Armed Forces officers.

Meets Chief of General Staff

LD201034 Riyadh SPA in Arabic 0830 GMT 20 Jun 87

[Text] Riyadh, 20 Jun (SPA) — General Muhammad Salih al-Hammad, chief of the general staff, received at his office at the Ministry of Defense this morning Brigadier General Khalid Nizar, deputy chief of the general staff of the Algerian National People's Army, and his accompanying delegation. The meeting was attended by the Algerian ambassador to the Kingdom, Abdelkarim Ghraieb. A number of military issues were discussed during this meeting and gifts were exchanged.

Lieutenant General Yusuf 'Abd al-Rahman al-Rashid, commander of the ground forces, also conferred at his office at the Ministry of Defense today with Brigadier General Khalid Nizar, deputy chief of the general staff, who is leading the Algerian delegation. A number of military issues were discussed and gifts were exchanged during this meeting. The Algerian ambassador to the Kingdom, Abdelkarim Ghraieb also attended the meeting.

Received by Prince Sultan

LD241425 Riyadh SPA in Arabic 1040 GMT 24 Jun 87

[Excerpt] Al-Ta'if, 24 Jun (SPA) — His Royal Highness Prince Sultan ibn 'Abd al-'Aziz, second deputy prime minister and minister of defense and aviation and inspector general, received at his Defense Ministry office this morning Khalid Nizar, deputy chief of the General Staff and commander of the land forces of the Algerian People's National Army, and his accompanying delegation. [passage omitted]

UNITED ARAB EMIRATES

Sharjah's Shaykh Sultan Returns to Power

JN260732 Doha QNA in Arabic 0710 GMT 26 Jun 87

[Text] Al-Shariqah, 26 Jun (QNA) — His Highness Shaykh Dr Sultan ibn Muhammad al-Qasimi, member of the UAE Supreme

Council and ruler of Sharjah, this morning returned to power as ruler of the Amirate of Sharjah following his return to his palace in Al-Shariqah from Dubayy after midnight last night. His highness received members of the ruling family who congratulated him on his safe return.

A QNA correspondent in the UAE says His Highness Shaykh Dr Sultan's return to his palace in Al-Shariqah was the result of the reconciliation with his brother, His Highness Shaykh 'Abd al-'Aziz ibn Muhammad al-Qasimi, Sharjah heir apparent and deputy ruler, in the city of Al-'Ayn last Tuesday under the sponsorship and with the blessing of His Highness Shaykh Zayid ibn Sultan Al Nuhayyan, president of the UAE, and his brother members of the UAE Supreme Council.

Kuwaiti Envoy Delivers Amir's Message to President

JN251125 Abu Dhabi Domestic Service in Arabic
0930 GMT 25 Jun 87

[Text] His Highness Shaykh Zayid ibn Sultan Al Nuhayyan, president of the UAE, has received a written message from His Highness Shaykh Jabir al-Ahmad Al Sabah, amir of fraternal Kuwait, about the latest developments in the region. His Excellency Shaykh Sabah al-Jabir, Kuwaiti deputy prime minister and foreign minister, conveyed the message to his highness the UAE president at the Al-Maqam Palace in Al-'Ayn this afternoon. His Excellency Shaykh Sabah also congratulated his highness the president on solving the crisis in the Amirate of Sharjah. He lauded his highness's wisdom and that of his brothers their highnesses, the members of the Supreme Council, and amirate leaders in resolving this issue.

Attending the meeting were His Highness Shaykh Tahnun ibn Muhammad, the ruler's representative in the eastern region and chairman of the Board of Directors of the Abu Dhabi National Oil Company; Shaykh Hamdan ibn Zayid, Foreign Ministry under secretary; and His Excellency Muhammad Sa'ud Jabli al-Mi'ah, Kuwaiti ambassador to the UAE.

Leaves Abu Dhabi for Muscat

JN251310 Manama WAKH in Arabic 1300 GMT 25 Jun 87

[Text] Abu Dhabi, 25 Jun (WAKH) — Shaykh Sabah al-Ahmad al-Jabir, Kuwaiti deputy prime minister and foreign minister, left Abu Dhabi today for Muscat following a short visit to the UAE. During the visit Shaykh Sabah al-Ahmad delivered a message to UAE President Shaykh Zayid ibn Sultan Al Nuhayyan from Kuwaiti Amir Shaykh Jabir al-Ahmad Al Sabah dealing with recent developments in the region.

Shaykh Sabah al-Ahmad is currently making a tour of the GCC states, during which he will convey messages to their leaders from the Kuwaiti amir. The tour has so far included Saudi Arabia, Bahrain, Qatar, and the UAE.

YEMEN ARAB REPUBLIC

President Receives French Communications Official

JN251252 Sanaa Domestic Service in Arabic
1200 GMT 25 Jun 87

[Text] Brother Colonel 'Ali 'Abdallah Salih, president of the Republic, commander in chief of the Armed Forces, and secretary general of the General People's Congress, received in his office this afternoon Gerard Longuet, French secretary of state to the minister of posts and communications, who is currently visiting our country. During the meeting, they discussed spheres of bilateral cooperation in the field of communications and posts, and ways of promoting the two friendly countries' interests.

The French official conveyed to the president a message from French Prime Minister Jacques Chirac on bilateral relations, spheres of cooperation in all fields, and international issues of mutual interest. The meeting was attended by Brother Ahmad al-Asni, minister of communications and transport and member of the Standing Committee, and Michel Andre, the French ambassador in Sanaa.

Cooperation Minutes Signed

JN251839 Sanaa Domestic Service in Arabic
1700 GMT 25 Jun 87

[Text] Minutes of the ninth meeting of the joint Yemeni-French Committee for Cooperation in Communications — a meeting which set up a cooperation program between the Ministries of Communications in both countries — were signed at the General Establishment for Communications today. The minutes included plans for cooperation in training and maintenance, as well as methods of making the joint agreement between the communications schools of both countries a success.

The minutes were signed on the Yemeni side by Brother Eng Ahmad al-Asni, minister of communications and transportation and member of the Standing Committee; and on the French side by Gerard Longuet, French secretary of state to the minister of posts and telecommunications.

The signing ceremony was attended by Brothers Muhammad 'Abd al-Wali, adviser to the Ministry of Communications and Transportation; 'Abdallah al-Nahmi, director general of the General Establishment for Communications; and a number of Establishment officials. It was attended on the French side by (Jean-Bernard Levi), technical adviser to the French Ministry of Posts and Telecommunications; and the head of the Public Services Bureau of the Ministry.

Further Communiques, Battle Reports on Gulf War

Communique No 2,721 Issued

JN251655 Baghdad Voice of the Masses in Arabic 1600 GMT 25 Jun 87

[Communique No 2,721 issued by the Armed Forces General Command on 25 June 1987]

[Text] In the name of God, the merciful, the compassionate. Our valiant Armed Forces, which struggle for the sake of the homeland and which defend the Iraqi people's dignity and noble objectives of a free, honorable life, continue their heroic combat supported by God, demonstrating unprecedented courage and inflicting heavy losses on our country's enemies, who have ambitions on our territory, who bear malice against our civilization, and who receive orders from Zionism. Our daily combat activities prove the defeat of this clique, its military and political bankruptcy, and the collapse of its hopes and those of its Zionist masters. The following is a roundup of activities for last night and today:

1. Our gigantic Air Force confirmed its continuous capability through its heroic activities to destroy the aggressors. Our valiant hawks today carried out 32 combat missions and inflicted losses in personnel and equipment on the Zionist Khomeynists. Our hawks and their aircraft then returned safely to base, God be praised, except for one aircraft, which fell over the battlefield. We hold the Iranian side responsible for the safety of its pilot.

2. The brave helicopter knights carried out a series of successful raids on enemy units and positions, inflicting heavy losses with their 83 combat missions. Our knights then returned safely to base, protected by God.

3. The valiant Al-Mu'tasim Forces used various types of weapons to deliver concentrated blows against enemy positions, assembly areas, and supplies in the I Army Corps northern sector on 23-24 June. It has been confirmed that enemy losses exceeded 400 killed and large numbers wounded. Quantities of weapons, equipment, and military hardware were also destroyed. Elsewhere in the same sector, the enemy sustained further casualties, in addition to the following confirmed losses: the burning and destruction of six vehicles and the killing of their personnel; the destruction of a 106-mm gun and a medium- caliber machinegun; the killing of several enemy personnel; and the destruction of four infantry positions. May God bless the brave men of the heroic I Army Corps.

4. Four enemy boats attempted to approach Al-'Amiq Port last night. The heroic port force confronted them with various types of weapons and forced them to flee, defeated and humiliated, toward the Iranian coast.

5. Our units in the III Army Corps sector east of Al-Basrah destroyed two ammunition dumps, damaged three shovels [preceding word in English], and captured four rifles, one light-caliber machinegun, and an RPG-7 rocket launcher that the enemy left behind.

6. Three scoundrels were killed and two ammunition dumps were destroyed in the VII Army Corps sector.

7. One of our patrols in the I Army Corps sector of the Allahu Akbar Forces destroyed a vehicle loaded with ammunition and captured quantities of ammunition.

8. In fleeing the charlatanist regime in Tehran, a number of Iranian military personnel sought refuge with our forward units. They were then safely evacuated to our rear lines.

[Signed] The Armed Forces General Command, 25 June 1987

'Large Maritime Target' Struck

JN251930 Baghdad INA in Arabic 1912 GMT 25 Jun 87

[Text] Baghdad, 25 Jun (INA) — The Iraqi Navy has directed its missiles against a large maritime target that sought to enter Bandar-e Khomeyni Port. In a statement to INA a short while ago, an Iraqi military spokesman said that the Iraqi Navy spotted a large maritime target at 2034 today [1634 GMT] attempting to enter Bandar-e Khomeyni Port. Our Navy directed its unerring missiles against it and turned it into rubble to be swallowed by the sea. The spokesman added that this blow implements Iraq's firm and legitimate right to cut off enemy supplies.

Communique No 2,722 Issued

JN261017 Baghdad Voice of the Masses in Arabic 0856 GMT 26 Jun 87

[Communique No 2,722 issued by the Armed Forces General Command on 26 June 1987]

[Excerpts] [Passage omitted] In another futile attempt carried out on the instructions of the enemies of Arabism and Islam and with a foreign-inspired insistence on silly ambitions, the Khomeyniite scoundrels formed, by force and against their will, 77 regiments and this time selected the heroic I Army Corps northern sector for their operations. They ignored our continuous warnings that Iraqi eagle eyes watch the whole map of the conflict. They also ignored the fact that besides being wild lions at sea, on the plains, and in the lowlands, Iraqis are also wild lions in the high mountains.

Since the night of 20-21 June, the Khomeyniite scoundrels pushed their forces wave by wave toward our lofty mountains, which are guarded by men. Forces of the heroic I Army Corps opposed them with determination and pride. Through fierce battles lasting days and nights — and which were joined by the courageous infantry troops, artillery, armored vehicles, the bold hawks of the air, and the brave helicopter gunship knights — and with a courage that could only be that of the Iraqis, the enemy thrust was contained and the opposition suffered tens of thousands of dead and wounded.

After the Khomeyniite scoundrels failed to penetrate our defenses and reach their targets, as they were instructed to do by Zionism and the homeland's traitorous hirelings, they had to be liquidated and were delivered a grave defeat. Here was where the

heroic Al-Faris Forces, the Republican Guard Forces, played their natural role in safeguarding the people and their aspirations, protecting the homeland and its holy places, and serving, as usual, as the vanguard of Iraqi victory. These forces' soldiers vied with one another for the battlefield and scaled mountain peaks, as well as the peaks to glory. In a fierce battle waged by the Baghdad Forces, the mountain peaks controlling our territory were liberated with God's help. Approximately 40 of the enemy regiments pushed forward were annihilated. Our soldiers' honorable hands, led by Staff Lieutenant General Husayn Rashid Muhammad, commander of the Al-Faris Forces, and by Brigadier General Kamil Sakit, commander of the Baghdad Forces, raised Iraq's banner. This banner fluttered over Kurdistan's lofty mountains after having wiped out the enemy forces and torn them to pieces. This is the Khomeyniites' new harvest; it is also the fate of their intentions and of all evil intentions against this great homeland. [passage omitted]

[Signed] The Armed Forces General Command, 26 June 1987

Spokesman on Northern Battles

JN261225 Baghdad Voice of the Masses in Arabic 1055 GMT 26 Jun 87

[Iraqi military spokesman's statement dated 26 June 1987]

[Text] In the name of God, the merciful, the compassionate. Adding to our communique No 2,722 issued at noon today, and continuing the splendid victories and great steadfastness of our heroic I Army Corps' soldiers, as well as coinciding with the sweeping attack carried out by the heroic Al-Faris Forces, the 68th Brigade — Special Forces, whose courage was demonstrated in the Al-Qadisiyah battles — launched a sweeping, powerful attack in the brave Saqr Quraysh Forces sector in the heroic I Army Corps northern sector at 2400 [2000 GMT] yesterday.

With one of the famous Iraqi attacks by the Special Forces' heroes and with effective artillery support, our victorious forces managed to defeat the enemy in the first line of defense opposite our liberated peaks. They annihilated most of the Khomeyniite scoundrels, as the few remaining enemy fled, pursued by our victorious forces' fire. May God bless the faithful men of this brave formation. May God also bless you, all men of the I Army Corps, as you have fulfilled your promise and achieved victory over the enemy. Proceed from one victory to another. God is the one who grants success and assistance.

PRC Official Cited on Gulf Peace, Other Issues

JN230850 Baghdad INA in Arabic 0620 GMT 23 Jun 87

[Text] Baghdad, 23 Jun (INA) — A PRC political figure has highly evaluated the five peace principles declared by President Saddam Husayn on 2 August 1986 for establishing peace between Iraq and Iran.

Zhu Shanqin, deputy director of the CPC Central Committee International Liaison Department, in an interview published today in *Al-Jumhuriyah*, stated that China believes that President Saddam Husayn's five-point peace plan embodies the spirit of peace and this conflict's just settlement and that it is positive and highly important. He says that China in principle supports all constructive peace initiatives aimed at bringing about a cease-fire and ending the Iran-Iraq war.

Zhu Shanqin declared that China believes this conflict inflicts great damage and losses on the two combatants, as well as increasing tension in the Arab Gulf. He asserts that after 7 years of fighting, people have now begun to realize it is impossible to resolve the conflict by force and that a peaceful solution is the only way to end the war based on conditions acceptable to the two belligerents.

Zhu Shanqin noted that the PRC representative at the UN Security Council makes constant and positive efforts to achieve all matters likely to end the war and establish peace between Iraq and Iran. He asserted that his nation supports every constructive effort to achieve peace between the two warring states.

The CPC official declared that his talks with Arab Socialist Ba'th Party officials confirmed that these contacts are useful and fruitful and that they strengthen understanding, confidence, friendship, and cooperation between the two parties. He stated that the two sides have signed a cooperation protocol on this basis.

Zhu Shanqin said that relations between the Arab Socialist Ba'th Party and China will further strengthen and develop in the future and that this will lead to developing and strengthened relations in various fields between the two countries and peoples. He stated that China wishes to develop relations with all nations on the basis of the five principles of coexistence. These principles are appropriate for establishing relations between regimes that have similar social and political systems. They also constitute a sound basis for establishing relations with regimes of differing systems and ideologies; they are a basis for coexistence with other regimes regardless of their social system.

The Chinese official affirmed that China has relations with the United States and hopes that these relations will develop in the future. He also stated that in recent years there has been improvement in Sino-Soviet relations and particularly that the volume of bilateral trade has grown while technical and scientific cooperation between the two countries has increased.

Zhu Shanqin noted that while China is committed to the principles of coexistence, it will not enter into pacts with any superpower and will not establish strategic relations with any superpower at the expense of developing nations.

'Eran Comments on Cooperation Agreement With U.S.

TA260751 Jerusalem Domestic Service in Hebrew
0405 GMT 26 Jun 87

[Telephone interview with 'Oded 'Eran, charge d'affaires of the Israeli Embassy in Washington, by Yitzhaq Ro'e in the studio — live]

[Text] [Ro'e] Good day to you, Mr 'Oded 'Eran. You signed an agreement with the two U.S. congressional committees investigating the so-called Irangate affair. What is the meaning of the agreement you signed?

['Eran] The meaning is that the Israeli Government will be prepared, under certain conditions, to pass on material collected in Israel on the Iran affair. This material will contain two chronologies: one financial and one general. The financial chronology refers to a description of the various money transfers, as we know of them. The general chronology will deal with the series of events according to their historical order.

[Ro'e] Is it not true that this agreement is not binding on Justice Lawrence Walsh in such matters as again attempting to subpoena key people such as Kimche?

['Eran] This is legally correct. However, we are willing to pursue negotiations with the special prosecutor, as he is called here, and reach a similar agreement, with similar conditions, with him on handing over material.

[Ro'e] As for the material we are now passing on in accordance with the agreement you signed, is there a promise that it will not be used later against Israeli figures, as was the case with the material passed on to the United States on the Pollard affair?

['Eran] Absolutely. This was one of the conditions we sought and did indeed obtain; namely, the material which appears in the various documents that we will pass on to the committees will not be used against the Israelis involved.

[Ro'e] Last question, 'Oded 'Eran: Are we now in for new disclosures on our role, on the role Israel played in the affair?

['Eran] I do not think such disclosures are expected from the material. I cannot address myself to material that may emerge from testimonies by U.S. elements such as North and Pointdexter. As for our material, I doubt it will contain earthshaking disclosures.

Shamir Visits Gaza; Grants News Conference

TA260907 Jerusalem THE JERUSALEM POST in English 26 Jun 87 pp 1, 18

[Report by Bradley Burston]

[Excerpts] Gaza — The Gaza Strip can be a subject of future peace negotiations, but it must be considered part of the Land of Israel, Prime Minister Shamir said yesterday during what was reportedly the first visit by an Israeli premier to Gaza.

Accompanied by Deputy Defence Minister Mikha'el Dekel, Coordinator of Activities in the Occupied Territories Shmu'el Goren, and OC Southern Command Aluf [Major General] Yitzhak Mordkhay, Shamir toured UN refugee development projects, met with Jewish settlement leaders and local government officials, and inspected sites of recent terrorist attacks. [passage omitted]

At a midday press conference in the Qatif settlement area, Shamir responded sharply to calls of renewed support for an international peace conference by U.S. Ambassador Thomas Pickering and Foreign Minister Peres.

"I regret that this issue has been raised once again, because discussion of the international conference acts to make direct talks more distant," he said.

To the disappointment of settlement leaders, Shamir was guarded about the possibilities of increasing Jewish settlement in the area.

Reacts to Waldheim-Pope Talks

TA251743 Jerusalem Domestic Service in English
1700 GMT 25 Jun 87

[Text] Prime Minister Shamir has reacted sharply to the meeting between Kurt Waldheim and the pope. He was speaking to reporter Steve Rodan while on a tour of Gaza.

[Begin Shamir recording] It is an outrageous act. The visit of Waldheim in the Vatican could be interpreted as a justification for the crimes of which Waldheim is accused. I do not think it will add respect and dignity to the hosts of Waldheim. [end recording]

Prime Minister Shamir also said he will seek approval for the expansion of existing settlements as well as for the construction of new ones in the territories.

[Begin Shamir recording] This is our policy in general, to develop further all the Jewish centers of population in all parts of the country. It is a very clear and important paragraph in the program of the government of national unity, and the implementation of this goal depends only — is limited only, I would say — by our financial means. I think that we will overcome these difficulties in the future. [end recording]

Reporter Steve Rodan adds that the prime minister disappointed many settlement leaders by his vague replies on the issue of more settlements.

Peres Visits UK, France; Promotes Peace Conference

For coverage of Prime Minister Shi'mon Peres' efforts to gain European support for an international peace conference on the Middle East, including his visits to the United Kingdom and France, meetings with British Prime Minister Margaret Thatcher, French President Francois Mitterand and French Prime Minister Jacques Chirac, and views on a possible meeting

with Shevardnadze, see the United Kingdom and France sections of the 25 June West Europe *Daily Report* and subsequent issues.

'Surprise' in Foreign Ministry Over Lome Embassy

TA260733 Jerusalem Domestic Service in Hebrew 0600 GMT 26 Jun 87

[Text] Foreign Ministry officials have expressed surprise over Prime Minister Shamir's consent to undertake, before the Togolese president the establishment of an embassy in the capital, Lome. Our political correspondent 'Oded Ben-'Ami reports that after a 10-month delay in sending the Cameroon ambassador to Israel, the delegation to Togo was instructed not to undertake the establishment of an embassy. The Foreign Ministry leadership is waiting to see if an ambassador from Togo will indeed arrive in Israel.

MK Wilner Leaves for PRC; Not Carrying Message

TA260533 Jerusalem Domestic Service in Hebrew 0500 GMT 26 Jun 87

[Text] RAKAH Knesset Member Me'ir left this morning for a visit to the PRC. He was accompanied by George Tubi, the secretary of RAKAH's Central Committee. Mr Wilner told an ITIM correspondent that he is not carrying a message from the Israeli Government. The RAKAH delegation was invited by the CPC Central Committee. It has not yet been decided who the Israelis will meet with in the PRC.

PRC Requests Help To Set Up Diamond Industry

TA251102 Tel Aviv HA'ARETZ in Hebrew 25 Jun 87 p 5

[Report by Avraham Tzohar]

[Excerpt] An Israeli industrialist, who is a well-known figure in the diamond industry, has been in the PRC for quite some time now at the request of official Chinese elements, who sought his help in establishing a local diamond industry.

The PRC produces few cut diamonds, but purchases large quantities of them from Israel via Hong Kong.

This was reported by the president of the Diamond Exchange, Moshe Schnitzer, who claimed similar signals have also arrived from the Soviet Union, which wants to strengthen ties with the Israeli branch. There are certain signs that indicate that upon the establishment of diplomatic ties between the two countries, Moscow will initiate close cooperation with Israeli diamond tycoons, Schintzer said. [passage omitted]

New Plan To Finance Lavi Gaining Support

TA261437 Tel Aviv HADASHOT in Hebrew 26 Jun 87 p 4

[Report by Ilan Kfir and Alex Fishman]

[Text] The Lavi will fly and the IDF will develop new warfare systems for the ground forces with the help of a special budget of $220 million, which will be allocated to the defense establishment. This is the plan being formulated at the senior political-security level in anticipation of the upcoming Cabinet decision on the continuation of the Lavi project.

Prime Minister Shamir, Defense Minister Rabin, and Foreign Minister Peres tend to support the plan, which has been put up for discussion in the last few days. Its specifics will be formulated next week in high-level consultations. Senior government sources believe the plan will be supported by the majority of Cabinet ministers. Ministers who were inclined to oppose the Lavi project may change their position and vote for the new proposal, thus ensuring its approval.

According to the plan, the Cabinet would decide to continue the Lavi project but without affecting the plan for the development of warfare means for the ground forces. The General Staff, headed by Chief of Staff Lieutenant General Dan Shomron, has been pressing for this plan, which proposes that the Finance Ministry transfer some $220 million to the defense establishment for the special security projects that had been frozen due to the Lavi. This allocation would come in addition to the Defense Ministry's regular budget.

The plan stipulates that the Cabinet would continue to transfer $300 million per year in special U.S. aid to the Lavi project. For its part, Israel Aircraft Industries [IAI] would try to become more efficient, increase its budgetary share in the project, and see that there is no discrepancy between individual programs and their actual implementation in terms of expenditures. The plan envisages the production of some 75 Lavi aicraft by IAI every year, the first of which would become operational in the early 1990's.

Yitzhaq Rabin, who had great doubts about presenting his position on the Lavi to the Cabinet, now tends to support the plan. In talks with fellow ministers, he has said that if the Cabinet were to approve an additional allocation of $220 million for security, he would try not to adversely affect the IDF's needs and plans for special projects. The initiators of the plan within the Cabinet intend for the $220 million to come from state budget surpluses.

The debate on the Lavi project will probably not be concluded in the Cabinet session on Sunday due to the absence of Vice Prime Minister Shim'on Peres. Prime Minister Shamir acceded to the request of Peres and Rabin to wait for Peres' return before making a decision.

In a meeting of the Likud ministers this week it transpired that most of them support the Lavi project.

Alex Fishman reports:

IAI recently submitted a proposal to the defense establishment entailing the termination of the Lavi project and the development of a smaller and simpler aircraft, which would be delivered within a shorter period of time and would meet the defense establishment's timetable.

This proposal entails the investment of $300 million per year, as opposed to $550 million allocated to the Lavi. The defense establishment has not yet discussed this proposal.

Some 2,000 IAI workers will stage demonstrations in favor of the Lavi opposite the Prime Minister's Office, the prime minister's residence, along the Lod-Ramla highway, and in Tel Aviv on Sunday.

Bank of Israel Governor: Lavi Issue 'Unequivocal'

TA260905 Jerusalem THE JERUSALEM POST in English 26 Jun 87 pp 1, 18

[Report by Pinhas Landau]

[Text] Tel Aviv — Bank of Israel Governor Mikha'el Bruno yesterday launched the most comprehensive attack on the option of continuing the Lavi fighter project ever to be made in public.

Speaking at the annual conference of the Israel Management Institute at the Hilton Hotel here, Bruno said that the issue of the Lavi was "unequivocal — there is no 'on the one hand and on the other hand.' On the basis of economic analysis, there is no justification whatsoever for continuing the project."

Bruno noted that the construction of a working prototype was a tremendous achievement of Israeli technology and industry, which reflected the enormous potential of these sectors of the economy. "But," he continued, "that is not to say that it ought to be manufactured.

"Nor is it relevant if alternative sources of financing can be found, because these will only be at the expense of other possible uses for the money.

"The economy has no comparative advantage in producing the plane — it is only a substitute for imports. But these imports will cost less than producing the Lavi, even without taking into account the development costs. Nor will this project lead to subsequent ones."

The governor pointed out the obvious danger of concentrating resources in one project and the advantages of spreading risks over several different enterprises.

The $2 billion that needs to be allotted to the Lavi to see it to completion could, said Bruno, be used to increase the nation's capital stock by 10 per cent from its current level. This increase could be used to make exportable products — which the Lavi was not — that would produce an income stream of hundreds of millions of dollars a year, while the Lavi had no export prospects. Turning to the employment arguments surrounding the project, Bruno made his most devastating point.

"If the Lavi is continued, the long-term results will be fewer employment prospects, because there will be less industry, less exports and fewer jobs available than if the project was discontinued," he said.

"In effect, the whole employment argument revolves round a limited number of people for the next five years — after which time they will in any case be forced to find other work, because the development stage will be over and there will be no follow-up project to take over.

"Thus the question is whether to spend $2b. to employ 2,000 people for another five years, or to let them go now," said Bruno.

By extension, the argument that ending the project would increase yerida [emigration] and deter aliya was also mistaken, Bruno added. Since the continuation of the project would swallow up such huge resources and starve other sectors of the economy, it would result in a smaller economy and hence would reduce the standard of living and the prospects for employment of new immigrants.

The timing of the speech was clearly determined by the cabinet debate on the Lavi, scheduled to continue next Sunday. Bruno's concluding remarks were plainly directed at the government when he said: "There is no choice but to immediately halt the project, and such a bold step would be seen positively by the public as a sign of the government's determination to make fundamental changes in the structure of the economy."

Likud Adopts Settlement Decisions to Appease Tehiya

TA251059 Tel Aviv MA'ARIV in Hebrew 25 Jun 87 p A6

[Report by Menahem Rahat]

[Text] Prime Minister Yitzhaq Shamir and Ministers Moshe Nisim and David Levi decided yesterday that two additional settlements willbe set up in Judaea and Samaria, that existing settlements will be beefed up, and that new roads will be paved and the infrastructure in Judaea and Samaria expanded.

Likud sources have refused to confirm that these resolutions seek to appease the Tehiya's demands, which resemble ultimatums that the Judaea and Samaria settlement drive be boosted. However, it seems the decision is meant to anticipate next Monday's meeting between the Tehiya leaders and Shamir, during which they will submit to Shamir their demands as a condition for their continued support of the Cabinet.

A list of demands based on Tehiya Council resolutions was drawn up at a Tehiya Secretariat meeting in Jerusalem yesterday. They include the demand that the establishment of 27 settlements already approved really be set up; existing settlements be expanded; Peres' initiatives be blocked; the plan to rebuild Iqrit and Bar'am be dropped; security in Judaea, Samaria, and Gaza be stepped up; and the process of handing over Civilian Administration duties to local officials be stopped. The settlements mentioned are Avne Hefez and 'Asa'el. Likud sources said yesterday the establishment of the two new settlements will not be brought before the Cabinet for a decision because they already appear in the Government's basic guidelines.

Finance Ministry Prepares 'Optimistic' Forecast

TA221151 Tel Aviv HA'ARETZ in Hebrew 22 Jun 87 p 5

[Report by economic affairs correspondent Tzvi Zerahya]

[Text] Israel's trade deficit in 1987 might increase by $400 million rather than by the previously forecast $1 billion if certain trends registered last month showing a decrease in imports and

an increase in exports continue. This is stated in a document drawn up by Rut Loewenthal, the Finance Ministry's assistant director general on economic affairs, which has recently been submitted to Finance Minister Moshe Nisim.

The document states that if this forecast is confirmed, Israel's trade deficit at the end of 1987 will amount to $2.8 billion. This is an optimistic forecast, compared with the gloomy forecast submitted to the finance minister a few months ago according to which the trade deficit in 1987 might increase by $1 billion. The Treasury says the difference between the two forecasts stems from a change in trends and an accelerated increase in Israeli exports over the last few months coupled with a certain curb in imports. At the same time, it should be noted that the volume of imports last month continued to be high, compared with the first months of 1987 and the same period last year.

Reacting to this, Finance Minister Moshe Nisim said last night that for the time being measures to ban or restrict imports should not be adopted. "Administrative measures to reduce imports will not prove successful. Nothing has happened despite the 10-percent devaluation carried out in January, which we thought would lead to a decrease in the volume of imports. On the contrary, the level of imports has risen significantly compared with the period before the devaluation," Nisim said.

Nisim went on to say that despite the 1-percent rise in interest rates in February, private consumption and credit has increased. In view of the fact that these moves have not led to a decrease in private consumption and imports, he sees no sense in imposing restrictions or taking any other measures that might undermine economic stability.

Nisim also noted that, in the near future, he is not contemplating another devaluation, which would undermine economic stability and accelerate inflation.

Nisim Appoints Team To Work Out New Tax Reform

TA240841 Jerusalem THE JERUSALEM POST in English 24 Jun 87 p 9

[Report by finance affairs correspondent Pinhas Landau]

[Text] A second attempt at a sweeping overhaul of the personal-tax structure got under way yesterday, as Finance Minister Moshe Nisim appointed a panel of experts to examine how best to achieve his aims.

The five-man committee will be headed by Prof. Eytan Sheshinski of Tel Aviv University, and will include Prof. Efrayim Tzedaqa, also of Tel Aviv University; Dan Galay, of the Hebrew University; Amnon Refa'el, a tax lawyer in private practice; and Dov Sapir, a leading accountant who is believed to be close to the finance minister.

The wide-ranging brief given by Nisim to the committee is to formulate a strategy for expanding the tax reform legislation approved by the Knesset earlier this year. The reform was a watered-down version of a Treasury proposal that met opposition from the Histadrut, the Manufacturer's Association and a wide spectrum of social-welfare groups.

Essentially, the committee's task is to suggest ways for broadening the tax base by reducing or eliminating the numerous exemptions and special treatment given to sectors of the economy and population. The proceeds of this extra revenue would then be distributed back to the tax-payers by a reduction of tax rates and a broadening of tax brackets for the lower- and middle-income groups.

Upper-income groups were the primary beneficiaries of the reforms passed this year.

Nisim's letter of appointment to the committee members pointedly stated that no extra budgetary resources would be forthcoming to achieve the aims of the reform, and that the committee must take into account the budgetary needs of the country in the coming years. It set an October deadline for the panel's report.

Each of these statements is loaded with significance. The Treasury is well aware that this year and next will see the main redemptions of the "arrangement" bank share scheme, and that this will place an enormous burden on the budget. The only way for a tax reform programme to be viable is for it to be "revenue-neutral," that is to pay for itself by raising as much new income as it gives back through rate reductions.

The October deadline would appear to be aimed at getting its recommendations incorporated into next year's budget, which must be tabled in January. But observers said yesterday that the real reason was that with elections scheduled for November 1988, at the latest, the reform would become politically impossible after the end of 1987.

Despite this, Sheshinski told *The Jerusalem Post* yesterday that he did not think it would be possible for the committee to produce more than an interim report by the October deadline. The final version would appear at the end of the year.

The committee has been asked to consider the mutual relationship between the tax and social welfare systems and the effects reform would have on wages and the capital market. Sheshinski confirmed that the committee would be considering the fact that unearned income is currently tax-free in almost all cases.

The proposal to tax interest and capital gains was the first element of the proposals tables last December — only to be withdrawn, after it aroused a storm of protest. Later, the campaign to defend tax breaks threatened by the reform led to the remainder of the tax overhaul in the personal sector being jettisoned. However, the corporate-tax reform was passed almost unchanged.

The committee intends to hear the views of many groups in the economy.

'Terrorist' Squad Uncovered in Balatah Camp

TA251530 Tel Aviv IDF Radio in Hebrew 1400 GMT 25 Jun 87

[Text] Security forces in Judaea and Samaria have uncovered a terrorist squad in the Balatah refugee camp near Nabulus. Our correspondent Ilan Ben-Dor reports:

The terrorist squad uncovered in Balatah is suspected of having opened fire at Arab inhabitants of the refugee camp in 1985 and 1986. In these incidents, one local inhabitant was killed and two others were injured. One of the members of the squad is a student at Bi'r Zayt University and a leader of the pro-PLO bloc and had recently been a candidate for the job of head of the students council. The leader of the squad was deported to Jordan in May 1987 due to his involvement in subversive agitation and activities. His involvement in terrorist activities became clear only when the squad was uncovered.

Four rooms and two floors in the houses of three terrorists were boarded up today in Jericho. The three are suspected of having planted three landmines on the road leading to the settlement of Elisha' and of throwing a firebomb at a military vehicle. There were no casualties and no damage was caused as a result of these attacks.

'Controversial' Scheme To Pump West Bank Water

TA260953 Jerusalem THE JERUSALEM POST in English 26 Jun 87 pp 1, 18

[Report by Joel Greenberg]

[Text] The Water Commission and the Meqorot company are planning a project to drill into a prime West Bank aquifer in order to pump massive quantities of water to Jerusalem, sources associated with the project have told *The Jerusalem Post*.

The unprecedented scheme still needs Defence Ministry approval, but could become operational within a few months, the sources said. The work is to be funded and carried out by an American firm using new deep-drilling technology which could eventually deplete the water supply in wells used by Arab towns and villages in the drill area, including Bethlehem, Bayt Jalla, and Bayt Sahur.

The sources gave the following details of the project:

The drilling site is to be near Herodion, southeast of Bethlehem, where water is already being pumped out of three boreholes for Jewish settlements and Arab communities in the Hebron and Bethlehem areas. The project is to be funded and executed by a U.S. based oil drilling firm, Moriah, working through its local subsidiary, the Moriah Technology and Energy Company. Moriah has already signed a contract with Meqorot to carry out the project, which is expected to cost several million dollars.

Under the contract terms, Moriah is to sell the projected 18 million cubic metres of water it will pump annually to Meqorot at 35 cents a cubic metre. Meqorot will then distribute the water at a fee, mostly to Jerusalem and Jewish settlements that will use it as drinking water and for irrigation. A smaller quantity of water, perhaps a quarter to a third of the total amount pumped, will be available to Arab communities, the sources said.

According to official estimates, 42 per cent of the 100 million cubic metres of water pumped annually in the West Bank already goes to Jewish settlements. While existing wells owned by Arabs and the Judea and Samaria Civil Administration serve Arab communities, virtually no new permits are given to West Bank Arabs to drill new wells.

The Moriah project will feature a new water-drilling technique to be tried for the first time. It was developed by Dr Avraham Melamed, an engineering consultant to Moriah, who first proposed it as a means of extracting water in the Negev from layers of Nubian sandstone. The technique calls for sinking a shaft similar to a mineshaft into the aquifer, from which horizontal boreholes or tunnels can be extended. The method facilitates drilling to depths greater than those reached by regular boreholes which go down several hundred metres. The width of the shaft makes it possible to install larger pumps than those used in the narrower, standard boreholes.

The depth and scale of the proposed scheme are controversial, partially because of the threatened depletion of wells serving Arab communities in the area. Water Commission and Meqorot officials have urged the Defence Ministry to approve the scheme, on grounds that it is the best source of water for Jerusalem, and preferable to tapping aquifers in the coastal plain.

Aside from the ministry's approval, execution of the plan requires the specific agreement of the Civil Administration. The administration is on record as having opposed the scheme when it last came up for discussion several months ago.

The two-year-old plan has now won the strong backing of the Agriculture Ministry, to which the Water Commission belongs.

King Husayn, Queen Nur To Visit Turkey Late Jun

JN251501 Amman PETRA-JNA in Arabic 1430 GMT 25 Jun 87

[Text] Amman, 25 Jun (PETRA-JNA) — An official source at the Royal Hashemite Court has said that His Majesty King Husayn and Her Majesty Queen Nur will pay an official visit to Turkey late this month. The visit is scheduled to last several days. Turkish President His Excellency Kenan Evren has extended the invitation. The visit will be part of the brotherly relations of friendship existing between Jordan and Turkey. His Majesty King Husayn will hold talks designed to enhance these relations and the joint cooperation between the two friendly countries. Bilateral relations and regional and international issues of mutual interest will also be discussed.

Austria's Waldheim, Wife To Visit 1 Jul

JN251128 Amman Domestic Service in Arabic 1100 GMT 25 Jun 87

[Text] Amman — An official spokesman for the Royal Hashemite Court has announced that His Majesty King Husayn and Her Majesty Queen Nur al-Husayn have invited His Excellency Austrian President Dr Kurt Waldheim and his wife to pay an official visit to Jordan. The 4-day visit will begin on 1 July. A number of Austrian officials will accompany his excellency the guest.

Al-Masri Urges 'Support' for Kuwaiti Efforts

LD251116 Kuwait KUNA in English 0943 GMT 25 Jun 87

[By Mohammad Musa]

[Text] Amman, June 25 (KUNA) — Jordan's Foreign Minister Tahir al-Masri called all Arab countries to stand firmly by Kuwait's side and to support the drive of H.H. the amir of Kuwait Shaykh Jabir al-Ahmad al-Sabah to warn against dangers of the Iraq-Iran war.

In an interview with KUNA here, the Jordanian chief diplomat said an Arab positive response to the Kuwaiti efforts is the avenue toward joint Arab action.

Arab response to Kuwait's efforts will be the substitute for the presence of the super powers in the Gulf waters and will form a deterrent for the Iranian aggression, he told KUNA.

Concerning the convocation of an Arab summit, Al-Masri emphasized that holding such a meeting is an urging matter specially after the hostile and clear threats launched against Kuwait and amid the explosive situation in the Gulf region.

Arab solidarity and adherence are the means to counter challenges and to regain Arab credibility, he said, adding that it is high time to work jointly to defend our fate.

King Husayn and the Saudi monarch are intensifying their efforts to solve Arab differences as a prelude to the convocation of an Arab summit, Al-Masri indicated.

On the role of the Security Council to find a settlement for the Gulf war, Al-Masri said although there are big differences between members of the Security Council concerning this war, topped by political and trade interests, those countries can no longer evade responsibility of finding an end to the war.

The Security Council is now ready to adopt a balanced and reasonable resolution as a step towards ending the Gulf war and to bring both Iraq and Iran to the table of negotiations, he said.

What goes on in the Gulf region now is yet another proof that Iran aims at extending its hostility actions to other Gulf countries and thus it is important to back the clear and balanced Kuwaiti stand, Al-Masri added.

On the convocation of an international peace conference on the Middle East, he said that his country insists on the convening of such conference adding that this demand is legitimate and based on international principles.

The Jordanian official said Israel "is the main obstacle" to the convening of the international conference. He pointed out that all concerned parties are now convinced that the conference is the only way of achieving a peaceful settlement in the Middle East.

Lauding the "excellent" Kuwaiti-Jordanian relations, the minister hoped that such relations could be set as an example for ties between other Arab countries.

The Jordanian Government genuinely believes it is high time that the Arab nation should stand together to counter threats and to defend the common fate, the minister said.

Source Denies USSR Invitation to Al-Jumayyil

NC251935 Beirut Voice of Lebanon in Arabic 1915 GMT 25 Jun 87

[Text] An official source has denied that President al-Jumayyil received an invitation to visit the USSR. The source added that Soviet Ambassador Kolotusha's visit to B'abda Palace today took place within the context of strong Lebanese-Soviet relations and afforded the opportunity to exchange viewpoints and evaluate current local, regional, and international developments.

Syrians To Search West Beirut

NC252126 Cairo Domestic Service in Arabic 2107 GMT 25 Jun 87

[Text] Informed sources in Beirut said today that the Syrian forces in Lebanon have decided to close down religious and cultural offices in the poorer areas of West Beirut. They also intend to comb these areas in an attempt to find U.S. journalist Charles Glass, who was kidnapped in Lebanon 9 days ago. At the same time, Brigadier General Ghazi Kan'an, head of Syrian Military Intelligence in Lebanon, is holding consultations with his senior aides in Damascus as part of an attempt to secure the release of the U.S. correspondent, whose continued abduction Syria considers as a challenge to its presence in Lebanon.

AL-SHIRA': Glass Knew Hijackers

JN261316 Paris Radio Monte Carlo in Arabic 1300 GMT 26 Jun 87

[Text] In its issue to be published in Beirut tomorrow, the Lebanese magazine *Al-Shira'* reports that two security officials from Lebanon's Hizballah, Muhammad Mughniyah and 'Abd al-Hadi Hamadi, are currently in Tehran to discuss various issues related to the fate of the U.S. hostages in Lebanon.

Al-Shira' also reports that the recent kidnapping of U.S. journalist Charles Glass in Beirut is connected with the information the kidnapped journalist possesses about the hijackers of the TWA plane to Beirut airport and the killing of one of its American passengers in the summer of 1985. *Al-Shira'* says that the kidnapped journalist knows the identity of the plane's hijackers because he had met with them, joked with some of them, and invited them to lunch and a swim at Beirut's Summerland Hotel.

Syrians Hope for 'New Developments' in Kidnapping

JN251114 Paris Radio Monte Carlo in Arabic 1100 GMT 25 Jun 87

[Text] A Syrian official in Damascus, who asked not to be named,stated that the Syrian authorities hope new developments will take place regarding U.S. journalist Charles Glass in the next few hours. This came in a cable which arrived from Damascus a few minutes ago.

Paper Claims U.S. 'Secret' Decision to 'Intervene'

NC261509 Cairo MENA in English 1448 GMT 26 Jun 87

[Text] Kuwait, June 26 (MENA) — The American Administration has taken a secret decision to intervene militarily in Lebanon if pressures were mounted on the Lebanese President Amin al-Jumayyil to force him to resign, *Al-Siyasah* newspaper said today.

In a dispatch from Beirut the paper said that the decision was adopted following discussions held by the U.S. ambassadors who served in Lebanon and the Mideast.

The paper further said that President al-Jumayyil was apprised of the decision following the assassination of Premier Rashid Karami on June 8.

Amal's Hamiyah Target of Assassination Attempt

NC251907 (Clandestine) Radio Free Lebanon in Arabic 1845 GMT 25 Jun 87

[Text] Security sources have reported that 'Aql Hamiyah, the Amal Movement official in charge of military affairs, was the target of an assassination attempt in the Burj al-Barajinah area [of West Beirut] at 1815 today. However, the sources did not reveal whether Hamiyah was wounded in the attack.

Hamiyah Slightly Wounded

NC260736 Beirut Voice of Lebanon in Arabic 0715 GMT 26 Jun 87

[Text] 'Aql Hamiyah, the Amal Movement official in charge of military affairs, was slightly wounded last night in the second attempt on his life in 3 days. Security sources noted that Hamiyah was shot at in the Burj al-Barajinah area as he was inspecting the buffer positions separating Amal gunmen and the Miqdad family. The assassination attempt was followed by rocket and machinegun fire in Al-Manshiyah and neighboring areas.

Amal Denies Reports

NC261122 Beirut Domestic Service in Arabic 1030 GMT 26 Jun 87

[Statement by the Fifth Branch of the Amal Movement's Central Military Bureau issued on 26 June]

[Text] The hireling Phalangist radios have been persistently trumping up reports and lies about armed disputes and clashes, attempts to assassinate movement officials, and security incidents involving parties in the nationalist arena, particularly in the southern suburb. Therefore, the Movement's Central Military Bureau declares the following:

1. Citizens should not believe reports or rumors being broadcast over Israeli radios; and

2. Nationalist radios are kindly requested not to believe these rumors, because such reports have been exposed for what they are.

UNIFIL Spokesman Denies Norwegian Soldiers Killed
NC251542 Beirut Domestic Service in Arabic
1400 GMT 25 Jun 87

[Text] Official UNIFIL spokesman Timor Goksel denied a report published in today's *Al-Nahar* newspaper, which states that two Norwegian soldiers were killed and a third wounded in an obscure incident in the Al-'Urqub area 2 days ago. Goksel emphasized that this report is untrue.

Further Reports on Visit by CSSR's Chnoupek

Meets With Al-Asad 25 Jun

JN251555 Damascus Domestic Service in Arabic
1515 GMT 25 Jun 87

[Text] President Hafiz al-Asad received CSSR Foreign Minister Bohuslav Chnoupek at 1330 today. Foreign Minister Faruq al-Shar' and the CSSR ambassador in Damascus attended the meeting. Chnoupek conveyed to the president the greetings of CSSR President Gustav Husak and the CSSR leadership. The president asked him to convey his greetings and wishes to President Husak, the CSSR leadership, and the friendly Czechoslovak people.

The international situation and the situation in the Middle East were discussed during the meeting. Relations of friendship and cooperation between Syria and Czechoslovakia were another topic of discussion. They also reviewed the Soviet disarmament proposals which Syria and the CSSR support.

Al-Shar', Chnoupek Sign Protocol

JN251857 Damascus Domestic Service in Arabic
1815 GMT 25 Jun 87

[Text] At 1800 this evening, Foreign Minister Faruq al-Shar' and CSSR Foreign Minister Bohuslav Chnoupek exchanged documents concluding a treaty of friendship and cooperation between the Syrian Arab Republic and the CSSR. Presidents Hafiz al-Asad and Gustav Husak signed this treaty in Prague on 9 October 1985 during the official and cordial visit paid by President Hafiz al-Asad to the CSSR. Al-Shar' and Chnoupek also signed a protocol for cooperation between the two countries' Foreign Ministries. 'Isam al-Na'ib, minister of state for foreign affairs, and members of the Syrian Arab and CSSR delegations were present.

The two ministers exchanged documents for concluding the Syrian-CSSR treaty of friendship and cooperation. After the exchange, CSSR Foreign Minister Bohuslav Chnoupek affirmed that his country considers the signing of this treaty to be an assertion of the strength of the close relationship between the two countries. He said that this relationship guides our activities. Replying, Foreign Minister Faruq al-Shar' affirmed that this important document, the treaty of friendship and cooperation, is considered a living example of open bilateral cooperation. President Hafiz al-Asad and President Gustav Husak laid its foundations. He said that this document constitutes solid ground for bilateral cooperation in all areas.

'Text' of Joint Press Statement

JN260745 Damascus Domestic Service in Arabic
2015 GMT 25 Jun 87

["Text" of joint press statement on CSSR Foreign Minister Bohuslav Chnoupek's visit to Syria issued in Damascus on 25 June 1987]

[Text] At the invitation of SAR Foreign Minister Faruq al-Shar', CSSR Foreign Minister Bohuslav Chnoupek paid a cordial visit to the SAR from 23-25 June 1987. During the visit, Bohuslav Chnoupek was received by His Excellency President Hafiz al-Asad, Ba'th Party secretary general and president of the SAR. Chnoupek conveyed to the president the greetings of Dr Gustav Husak, general secretary of the Czechoslovak Communist Party and president of the CSSR. Prime Minister Dr 'Abd al-Ra'uf al-Kasm also received Bohuslav Chnoupek.

The talks between the Syrian side under Foreign Minister Faruq al-Shar' and the CSSR side under Bohuslav Chnoupek were held in an atmosphere of friendship and mutual understanding. Current SAR-CSSR relations were assessed. The CSSR side highly praised the Syrian Arab people's achievements in all fields. Syria's principled stand that is hostile to imperialism and Zionism received particular praise. The CSSR side underlined the positive role Syria plays under the leadership of President Hafiz al-Asad on the Arab and international levels.

The two sides expressed satisfaction with the successful development of SAR-CSSR relations in all fields on the basis of the treaty of friendship and cooperation signed in October 1985. The two sides also emphasized the importance of the meetings between the two countries' ranking state and party officials. They expressed their readiness to continue to expand mutually beneficial economic cooperation and trade. Both sides are also determined to enhance cooperation in the education, culture, science, health, sports, and other fields.

At the conclusion of the talks, the two countries' foreign ministers signed a protocol on exchanging the documents concluding the treaty of friendship and cooperation signed by the two countries in October 1985. A protocol for cooperation between the two countries' Foreign Ministries was also signed.

Current international issues and the Middle East situation were reviewed. The two sides were satisfied with the broad similarity of their views. During the talks, special emphasis was put on the serious and tense situation in the Middle East. This has resulted from Israel's policy of aggression and expansion. They are carrying this out with U.S. backing as part of its strategic alliance. The goal of this policy is to impose imperialist and Zionist hegemony on the region. Both sides firmly condemned partial and separate solutions and rejected the Camp David course and its consequences. The two sides stated that a just, comprehensive, and lasting peace in the Middle East can only be achieved on the basis of Israeli withdrawal from all Arab territories occupied since 1967 and the restoration of the Palestinian Arab people's legitimate rights. These rights include their right to repatriation, self- determination, and the establishment of their independent state in accordance with UN resolutions.

The two sides stressed that a just and comprehensive peace in the Middle East must be achieved through collective efforts. To achieve this objective, both sides support the convocation of an effective and genuine international conference under UN auspices to be attended by all concerned parties. They also support the formation of a preparatory committee for this conference in which all permanent UN Security Council members would participate to make all the necessary arrangements for holding this conference.

The two sides stressed the need for unity of the Palestinian resistance movement on an anti-imperialist, anti-Zionist platform. Both sides voiced their support for the struggle of the Lebanese people and patriotic forces to liberate their country from Israeli occupation. They demanded an immediate, unconditional withdrawal of the Israeli forces from southern Leanon in compliance with the relevant UN Security Council resolutions. They emphasized that a solution to Lebanon's internal problems can only be realized through national accord preserving Lebanon's unity and territorial integrity, independence, and sovereignty. In this regard, the Czechoslovak side voiced its country's support for Syria's positive role in Lebanon. The Czechoslovak side also expressed support for the Syrian call for a UN-sponsored international conference to define terrorism and distinguish between it and the legitimate peoples' struggle for liberation. It also said that the conference should work out international agreements and adopt preventive measures against international terrorism.

The delegations exchanged views on topical international issues. They agreed that the first global priority today should be preserving peace, avoiding war, particularly nuclear war, preventing the militarization of space, working out tangible disarmament measures, and lessening international tension. Both sides think that these goals will remain elusive until a comprehensive system of world peace and security coupled with confidence-building measures are in place.

Ministers Al-Shar' and Chnoupek underlined the major significance of the far-reaching initiatives of the USSR to eliminate nuclear and other weapons of mass destruction by the end of the century. They expressed the view that a USSR-U.S. agreement removing medium-range nuclear missiles from Europe would be a particularly important move. This should dampen the chances of military confrontation on the continent. It should also improve the chances of an agreement on tactical operational rockets [al-sawarikh al-taktikiyah al-'amaliyah]. Subsequently, this should achieve overall disarmament. Such an agreement, they stressed, should further universal peace and security.

The Syrian side deeply appreciated the constructive role the CSSR is playing in the European arena. Syria also expressed its support for the initiative undertaken by the CSSR and the GDR on a chemical-free zone and nuclear-free belt in Central Europe. Both sides noted a direct correlation between European and Mediterranean security. They voiced their wholehearted support for the efforts being made to turn the Mediterranean basin into a zone of peace, security, and cooperation, free of nuclear arms and foreign military bases and fleets.

CSSR Foreign Minister Bohuslav Chnoupek expressed gratitude for the hospitality accorded to him and to his delegation. He extended an invitation to Foreign Minister Faruq al-Shar' to visit Czechoslovakia, which he thankfully accepted.

Agriculture Minister Tenders Resignation

JN251516 Damascus SANA in Arabic
1455 GMT 25 Jun 87

[Text] Damascus, 25 Jun (SANA) — The Council of Ministers met here at noon today under Prime Minister Dr 'Abd al-Ra'uf al-Kasm. During this meeting, the Council discussed the issue of agriculture and agrarian reform. It also reviewed the questions raised about negligence and shortcomings in this area which have had some negative repercussions. After discussion, the Council of Ministers asked Dr Eng Mahmud al-Kurdi, minister of agriculture and agrarian reform, to tender his resignation and he did.

Ershad To Visit PRC 2 July; DPRK Visit Postponed
BK251552 Dhaka Domestic Service in English
1530 GMT 25 Jun 87

[Text] President Ershad is to pay a state visit to China from the 2d of next month. During the 5-day visit, he will discuss with Chinese leaders bilateral matters and international issues.

Meanwhile, his visit to the Democratic People's Republic of Korea,scheduled for the 8th and 9th of next month, has been postponed.

Atakol Views Cyprus Division as Unchangeable
TA250652 (Clandestine) Bayrak Radio in Turkish
to Cyprus 0500 GMT 25 Jun 87

[Text] Minister of Foreign Affairs and Defense Kenan Atakol is expected to conclude his talks in Bangladesh and return to the TRNC this evening. Upon his arrival in Bangladesh on Sunday, Atakol was received with an official ceremony. He then held meetings with high-level government and state officials.

In a statement to the official Bangladesh news agency, Atakol pointed out that the division in Cyprus is real and must be accepted by everyone. He stressed that this division is now at a point of no return. He emphasized the importance of having the voice of Turkish Cypriots heard in all world forums.

He said that the Muslim Turkish Cypriots and the Christian Greek Cypriots are separate and different in all fields. He added: The only thing the two communities have in common is the fact that they live on the same island.

Meanwhile, the Bangladesh official said that the country's (?representatives) are ready to support the Turkish Cypriots in international forums. Bangladesh also supports the solution of achieving a biregional federal republic in Cyprus.

Police Storm Golden Temple, Arrest 250 Sikhs

BK251042 Hong Kong AFP in English
1030 GMT 25 Jun 87

[Excerpt] Amritsar, India, June 25 (AFP) — Police and paramilitary forces stormed the holiest Sikh shrine under the cover of a brief curfew Thursday and arrested more than 250 suspected Sikh separatists, police said. All but 10 of the suspects were released within hours of their arrest in the Golden Temple here, an official spokesman said in Chandigarh, the state capital. The identities of those held were still being established, he said.

The operation was launched after intelligence reports said Sikh militants had set up a virtual parallel administration within the shrine, Punjab Police Chief Julio Ribeiro said. Sikh separatists were widely reported to be holding religious courts in the Golden Temple, punishing Sikhs in a campaign against those who violated the religion's ban on smoking and drinking. Some reports said hundreds of Sikhs and Hindus, rich and poor, were summoned to the shrine daily and asked to pay money to fund the separatist campaign.

Police said in May that the estimated 100 "terrorists" using the shrine as a sanctuary had fled, anticipating a raid after the imposition May 11 of federal rule because of the violent campaign.

Thursday's two-hour operation, which Mr Ribeiro said encountered no physical opposition, was the fourth mounted by security forces in the past three years to flush out Sikh separatists suspected of using the shrine as a sanctuary. It was the first such raid since New Delhi brought Punjab under its direct rule after dismissing the state's moderate Sikh administration. Mr Ribeiro, who had ruled out a raid on the temple soon after Punjab came under federal rule, said: "Our aim today was to prevent the terrorists from setting up a parallel authority within the temple, which we believe they are trying to do."

A two-hour curfew was enforced before security forces moved into the marbled complex of the Golden Temple, rounded up the 250 Sikhs and seized one foreign-made revolver, some ammunition and "incriminating documents". [passage omitted]

Security Around Temple Tightened

BK260331 Delhi Domestic Service in English
0240 GMT 26 Jun 87

[Excerpt] Security arrangements in Amritsar city have been tightened in view of the convention called by a faction of the All India Sikh Students Federation in the Golden Temple complex today. According to the state police chief, Mr Ribeiro, police and paramilitary forces are keeping a strict vigil in the city. He said police pickets have been strengthened particularly in the area around the Golden Temple complex. A meeting of the senior officials of the district reviewed the situation early this morning. A close watch is being maintained. Police say the situation is completely normal and peaceful.

The president of the Akali Dal (Theranwa) group, Mahant Seva Das, has appealed to All India Sikh Students Federation to refrain from doing anything which may harm national unity and integrity. In a statement in Faridkot last night, he called upon the SGPC [Sikh Temple Management Committee] authorities not to allow anybody to misuse religious places and violate their sanctity. He alleged that some antinational elements had infiltrated into the All India Sikh Students Federation who are out to defame the Sikhs. He said if the federation wants to hold a political conference it should be held outside the Golden Temple. [passage omitted]

Governor on 'Preaching Sedition'

BK251558 Delhi Domestic Service in English
1530 GMT 25 Jun 87

[Text] The Punjab governor, Mr Sidhartha Shanker Ray, has declared his government's determination not to allow any antinational or violent meeting to take place either in the Golden Temple or in any other place of worship.

Speaking to newsmen in Ludhiana today, he said we do not want any place of worship to be defiled or debased by antinational and antisocial elements. Mr Ray said it is not the intention of the government to enter any place of worship but only to prevent anybody preaching sedition or violence from inside any place of worship.

Red Alert Ordered in Delhi Following Attacks

BK260302 Delhi Domestic Service in English
0240 GMT 26 Jun 87

[Text] A red alert was ordered in Delhi last night as some motorcycle-borne persons attacked a car in the Shalimar Bagh area in north Delhi. In another incident, five persons going in a car in south Delhi were attacked by two scooter-borne youths. The windscreen of the car was damaged. According to the police, no one was injured in the incidents. They are investigating the cases.

West Bengal Minister Appeals for Darjeeling Peace

BK251703 Delhi Domestic Service in English
1530 GMT 25 Jun 87

[Text] The West Bengal chief minister, Mr Jyoti Basu, has appealed to the people of Darjeeling to isolate the group of terrorists and saboteurs and to cooperate with the administration to bring back normalcy in the hill areas. The chief minister was making a statement in the assembly today in reply to a call to attention motion tabled by two Congress-I members. Mr Basu said that the solution to the problem should be found within the framework of West Bengal, especially in the context of the state government's stand in support to regional autonomy in hill areas and inclusion of Nepali in the eighth schedule of the Constitution. He said that he had discussed this and other related issues with the union home minister. It is unfortunate that the GNLF [Gurkha National Liberation Front] is still continuing the path of violence and disruption, Mr Basu added.

Hashemi-Rafsanjani Delivers Friday Sermon

LD261225 Tehran Domestic Service in Persian 1030 GMT 26 Jun 87

[Text] On the eve of the anniversary of 27 June [occasion of bombing at the Islamic Republic Party headquarters, killing a large number of officials] and in the wake of recent victories by the combatants of Islam on the battlefronts of the imposed war, the hezbollah ummah of Iran today participated in the ideological-political ceremonies of the Friday prayers and paid tribute to the memory of martyr Ayatollah Beheshti and his 72 companions. They chanted "War, war until victory" and called for continuing the sacred defense until the downfall of the regime ruling Iraq.

The Muslim inhabitants of Tehran, gathering in Tehran University and its surrounding thoroughfares, performed the Friday prayers, led by Hojjat ol-Eslam val-Moslemin Hashemi-Rafsanjani. In his Friday prayer sermons in Tehran today, Hojjat ol-Eslam val-Moslemin Hashemi-Rafsanjani honored the martyrs of the 27 June tragedy. He referred to the satanic provocations of world arrogance in the Persian Gulf, and emphasized the following point: The more advances we make in the war and the clearer the signs of our victory become, the clearer the signs of the Iraqi regime's weakness and decline. The nature of this war and of the warmongering elements also becomes more apparent, he affirmed. As we have stressed repeatedly, it has become evident to world observers that Saddam was too insignificant a figure to have entered a war against our nation; others are the true warmongerers. If we had won the war last year, everyone would have thought that a 50-million strong country was victorious over a 14-million strong country. But, if we win this year, everyone will know we are victorious over the United States.

The speaker of the Islamic Consultative Assembly then referred to the "Fath-6" and "Nasr-3," "Nasr-4," and "Nasr-5" operations, which have been carried out by the Islamic Revolution Guards Corps and the Islamic Republic's Armed Forces and which have resulted in important victories at this point in time. He said: What is interesting is that Iraq, a few days after its defeat in these operations, did not accept that these operations had taken place at all. How can the Iraqi Government dare to lie to its nation? How can Iraq claim that there was no fighting at all after losing 1 city, 20 villages, and 100 square km of its territory, along with 700 troops captured, 5 aircraft downed, dozens of tanks destroyed, and hundreds of troops killed or injured?

At the same time, U.S., British, and French mass media claim that Iran has had some advances but that independent sources have not confirmed this. There is an explanation for this: At present, Iraq is so vulnerable that the United States, which up until last year hadpretended to be neutral in this war, has entered the scene. On the pretext of escorting 11 Kuwaiti ships, they are bringing warships into the Persian Gulf and requesting Persian Gulf littoral states to provide them with airbases. All this because they consider Iraq fragile.

Hashemi-Rafsanjani added: Reagan and the United States are like a wounded wolf, and thus one cannot expect them to behave wisely. With the disgrace they have experienced and the devilish move they made last year, they intended to tarnish our revolution's reputation, but ended up having their own reputation tarnished instead. Now they want to reverse the situation. But the U.S. reputation in the Persian Gulf is so damaged that it will lose credit for the next half a century.

The imam's representative in the Supreme Defense Council added: The presence of several U.S. warships in the Persian Gulf will not frighten a nation and a revolution that has fought well and has been victorious.

Noting that if war breaks out in the Persian Gulf it will go on for some time, Hashemi-Rafsanjani stated: The East, the West, world reaction, and the American people should know that if the United States fires one bullet in the Persian Gulf, they bear the responsibility for starting this and the end will not be under their control. They will not be immune even if they run away and retreat because we will pursue them. If even one single drop of blood is shed by the United States in the Persian Gulf, there will be a river of blood flowing throughout the world. If the United States resorts to this dangerous gamble and if war breaks out in the Gulf, we shall stand firm. We shall certainly win.

The imam's representative on the Supreme Defense Council added: They have now started their assault. The recent developments in Al-Shariqah -- a plot by the Americans which was fortunately defeated --and the plot in Lebanon to put pressure on Syria to violently confront the Hezbollah — a mistake that we do not consider to be Syria's — are all signs of the mischief caused by the United States in the Persian Gulf. But we are alert and we have a presence on Abu Musa island. We are already engaged in exercises just outside the Strait of Hormuz. The popular forces there are in a state of full readiness.

In conclusion, Hashemi-Rafsanjani addressed the youth and said: We are at a juncture where it is important to be present at the front. When our enemies know that all our units are fully staffed with troops, their daring will be diminished. It is everyone's duty to enter the arena because the most crucial junctures in the history of the war will take place within the next 2-3 months. We should be fully prepared, so that we can deal with this plot proudly and successfully.

'Nasr-5' Operation Launched by Revolution Guards

LD251601 Tehran IRNA in English 1520 GMT 25 Jun 87

[Text] "Nasr-5" Operational Theater, June 25, IRNA — Iran launched its "Nasr-5" operation with a lightning assault into the heart of enemy positions on the heights of the border town of Sar Dasht in northwestern Iran Wednesday. The New Iranian assault began at 02:00 hours local time Wednesday (22:30 GMT Tuesday) codenamed 'Ya Zahra [daughter of Imam Hasan] (SA).'

Ground forces of the Islamic Revolution's Guards Corps inflicted heavy blows on enemy troops by employing unique hand-to-hand fighting tactics in mountainous areas in [words indistinct].

A yet undetermined number of Iraqi troops were killed and wounded and some others captured during the operation. Heavy equipment losses were also inflicted on the Iraqi Army.

After crossing barbed wires, various minefields and other man-made and natural obstacles, Iran's Muslim combatants crushed enemy's defence lines in Sar Dasht region.

Strategic Heights Liberated

LD251602 Tehran IRNA in English 1525 GMT 25 Jun 87

[Text] "Nasr-5" Operational Theater, June 25, IRNA — More than 24 sq. kms of land in western border areas of Sar Dasht, in West Azarbayjan Province and strategic heights in the region were liberated during "Nasr-5" operations launched early Wednesday. Over 700 Iraqi forces were killed and 50 others captured by Muslim combatants during the operations. Ten strategic heights, 2150, 2100, 2000, 2220, 2215, 1873, 1526, 1900, 2236, and 2216 and parts of Doparza range of heights were liberated.

During the operations carried out in arduous areas, Muslim combatants employed unique mountain warfare tactics, and destroyed one battalion of 'popular forces' by a hundred percent, second battalion of Mountain Infantry Brigade 97 of Division 24 by 80 percent and one mechanised company of the same brigade by 100 percent.

Bodies of enemy forces litter on the heights, among them several Iraqi officers and NCOs.

'Important' Iraqi Bases Destroyed

LD251829 Tehran IRNA in English 1739 GMT 25 Jun 87

[Text] "Nasr-5" Operational Theater, June 25, IRNA — An operational commander at a western battlefront said that Iranian villages of Qal'at Rash, Dulbi, Hini Mal, Blis, [previous three placenames as received] Kani Ras, Sur Cha, Golan, Bavi, Sar-chava [placename as received], and Darmanabad [placename as received] (W. Azarbayjan Prov.) are now safely out of the enemy's fire range, as a result of the "Nasr-5" operations started early Wednesday.

The commander of Islamic Revolution's Guards Corps (IRGC) further said that with the liberation of these areas, Iraq's Qal'at Dizah town, including its garrison, Dukan Dam and its power installations part of Al-Sulaymaniyah-Qal'at Dizah road, which is among the logistical routes connecting the first and second Iraqi corps, come under the direct fire of the Muslim forces. The IRGC commander added that 19 Iraqi villages are also within the fire range of Iranian forces.

Destruction of several important counterrevolutionary bases and the coming under fire range of several others were among other achievements of the "Nasr-5" operations. The Muslim forces, by strengthening and consolidating defence lines in the region, have effectively sealed counterrevolutionary passages in this border strip.

The commander added that with the liberation of the said strategic areas, supplies to Iraqi mujahidin inside Iraq and strengthening of Islamic movement of Iraq would become more easier.

800 Iraqi Casualties, 105 POWs

LD252003 Tehran IRNA in English 1900 GMT 25 Jun 87

[Text] Tehran, June 25, IRNA — More than 800 Iraqi troops were killed or wounded and 105 others captured by Iran's Muslim combatants in the course of "Nasr-5" operations, launched in areas west of Sar Dasht, northwestern fronts, early Wednesday.

Reporting the above today, Khatem ol-Anbiya' Headquarters added that Muslim forces employing special tactics for mountainous combat liberated more than 20 sq. kms. of Iranian territory and brought under control supply routes used by counter-revolutionary elements. Now the Iranian combatants can provide Iraqi Kurdish combatants with more facilities.

During the attack, ground forces of the Islamic Revolution's Guards Corps (IRGC) liberated the 'Bajar' plain and the Doparza and Milmoni heights, as well as mopping up 18 other heights in the region of Iraqi troops. 20 kms. of the border strip as well as Qal'at Dizah-Hiro Road, Jangavi area, Qal'at Dizah Town and Dukan Dam in Al-Sulaymaniyah Province are now under full control of the Iranian combatants.

A considerable number of Iraqi tanks, personnel carriers and heavy and light vehicles were set afire by Muslim forces who also seized a large amount of heavy and light weaponry including mortar launchers, 106 mm guns and Rocket Propelled Granades (RPG).

Foreign Minister Meets PRC, Soviet Ambassadors

LD251734 Tehran Domestic Service in Persian 1630 GMT 25 Jun 87

[Text] The Chinese and Soviet ambassadors in Tehran met with Foreign Minister Velayati separately today. During the meetings, they discussed and exchanged views on bilateral relations, recent developments in the Persian Gulf, and UN Security Council moves.

Nicaraguan Parliament Speaker To Visit

NC260546 Tehran Domestic Service in Persian 0430 GMT 26 Jan 87

[Text] According to the Central News Unit, Mr Carlos Nunez, speaker of the Nicaraguan parliament, will visit Iran at the beginning of next week at the head of a high-level delegation. The visit is in response to an official invitation from Islamic Majlis Speaker Hashemi-Rafsanjani.

The same report states: The Nicaraguan minister of culture and deputy minister of foreign trade will accompany Mr Nunez on this visit. Members of the high-level Nicaraguan delegation will

meet with senior officials of our country during the course of their stay in Tehran, and will discuss ways and means to broaden bilateral cooperation, especially in parliamentary matters.

Commentary on Security Council Cease-Fire Plan

LD251404 Tehran Domestic Service in Persian 1050 GMT 25 Jun 87

[Station commentary]

[Text] Following the agreement reached yesterday by the five permanent members of the UN Security Council with regard to the Iraqi-imposed war against Iran, the results of 45 hours of discussions were given to the ten nonpermanent members of the Council.

Pierre Louis Blanc, the French representative to the United Nations, who is also the spokesman for the five permanent members, told reporters at the conclusion of the meeting: In the near future, the Security Council will discuss the method of implementing the resolution. The five permanent members of the Security Council have reached an agreement with regard to the imposed war, 7 years after it began. This 7-year delay by the Council is, in reality, a breach of Article 51 of the Security Council. According to this article, the Council is dutybound to despatch an investigative team to the two countries involved as soon as a military clash occurs between them and, after the necessary investigations have been carried out, to adopt a principled stand. Yet, instead of carrying out this duty, which falls within the framework of the UN Charter, at the beginning of the war, the Security Council merely issued Resolution No 479 calling on the two countries to end their military clash.

In Resolution No 479, passed in September 1980, not only did the Security Council fail to refer to Iraq's violation of the Islamic Republic of Iran's territories but went even further in its injustice. In the first part of the resolution it explicitly called on Iraq and Iran equally not to continue to use force to resolve their differences. At that time, the explicit meaning of the resolution was that the cease-fire should take place on the territory of the Islamic Republic of Iran, while the Iraqi forces should stay where they were, and that the Islamic Republic should refrain from attacking the aggressor forces in order to get its territories back.

The proposed text of the five permanent members of the Security Council, which has been placed at the disposal of the ten nonpermanent members, says that Iran and Iraq have been requested to put into effect an immediate cease-fire and to withdraw to their international boundaries. According to this proposal, the UN secretary-general is also dutybound, at this point, to form a peace committee in order to identify and name the aggressor.

Taking note of this, it is not unreasonable to ask the Security Council: Why did the Security Council not call on the two countries in its Resolution No 479 to withdraw to their international borders at the time the Iraqi army militarily occupied thousands of kilometers of the Islamic Republic's territory? Do these two positions of the Security Council — which contradict each other — not demonstrate the Council's indirect support for Iraq?

Under the present cease-fire plan, the Iraqi regime will gain several important military objectives. One of these is that this regime, during the cease-fire, will have the opportunity to refresh its forces and restructure its Army. The trained Armed Forces of Iraq have all been either killed or captured during the first 2-3 years of the war, and its present troops have not had adequate military training. Thus, in the course of a cease-fire, the Iraqi commanders can easily make up for this military weakness of Iraq's forces.

Under the present conditions, the morale of the Iraqi forces is very low due to the continuous operations of the fighters of Islam. The series of operations carried out by our forces within an extensive but limited infiltration framework has kept the Iraqi troops on the alert and in combat readiness for most of the time, continuously transferring from the northern to the southern battlefronts and vice versa. More important than this is that the Iraqi regime will, during the cease-fire, be able to consolidate all its Armed Forces to crush the Iraqi strugglers and to eliminate them. This move by Iraq will actually increase the Iraqi Army's resistance to the combatants of Islam.

Therefore, it is clear that the only consequence of a cease-fire is that it will increase the resistance power of the Iraqi Armed Forces against our forces. For this very reason, the Islamic Republic of Iran's officials have repeatedly said that the Security Council must, before anything else, name the Iraqi regime as the aggressor and condemn it. If the Security Council wants to discuss the core issue of the imposed war, the only thing acceptable to the Islamic Republic is the Council's condemnation of the Iraqi regime for its aggression against Islamic Iran.

Combat Operations Against Iraq Continue

Communique No 2,878

LD251657 Tehran IRNA in English 1550 GMT 25 Jun 87

[Text] Tehran, June 25, IRNA — Iran's naval forces, in addition to controlling movements of Iraqi vessels around Al-Bakr and Al-'Amyah platforms, intercepted and searched six cargo ships and tankers in the Strai of Hormuz Wednesday.

Announcing the above here today, the Joint Staff Communique No. 2878 added that heavy artillery and mortar fire of Iranian combatants on Iraqi positions, strongholds and supply routes throughout the war fronts inflicted substantial casualties and losses on the enemy, setting afire a number of Iraqi watchposts in the western fronts.

An Iraqi patrol unit was checked and brought under fire by Muslim forces in the Helaleh operational theater late Wednesday as a result of which enemy troops fled from the region sustaining some casualties. Iranian tank fire in Panjwin operational region mauled an Iraqi armoured unit silencing enemy fire and damaging some Iraqi tanks.

At least ten Iraqi soldiers were killed or wounded and more than 10 gun emplacements and military vehicles were destroyed when enemy engineering activities were subjected to artillery fire of Iranian Gendarmerie forces Wednesday, said the communique.

IRGC 'Victories' in 'Nasr-4'

LD251743 Tehran Domestic Service in Persian 1630 GMT 25 Jun 87

[Text] A Khatam ol-Anbiya' report states that the mighty men of Islam, continuing the "Nasr-4" operations, last night [as heard] began the third phase of the operation in a locality north of Al-Sulaymaniah in Iraq. They gained further victories.

During the operations the ground forces of the Islamic Revolution Guards Corps succeeded in liberating (Balinah) Heights and in destroying enemy bases in the same region.

They occupied (Tashan) garrison following a fierce engagement, killing, injuring and capturing enemy forces at the garrison while capturing intact aconsiderable quantity of weapons, ammunition and equipment. In the course of the operations, the Islamic combatants advanced 2 km along the Mawut-Al-Sulaymaniah road, liberating enemy outposts in the locality.

More than 500 enemy forces were killed and injured, while 50 were captured by the Islamic forces. Among the dead was Lieutenant Colonel (Hasan Qasim Muhammad), commander of the 22d Artillery of the Iraqi 4th Division. The 65th and 66th Special Forces Brigades and the 99th Infantry Brigade suffered substantial damage and losses.

The brave airborne forces pilots of the Islamic Republic of Iran Armed Forces, and also the heroic pilots of the Islamic Committees of the Islamic Revolution Support Transport, showing outstanding bravery, inflicted heavy blows and losses on the enemy forces, denying them any chance to redeploy. They also executed heavy artillery fire at the same time.

IRGC Artillery Hits Iraqi Bases

LD251731 Tehran IRNA in English 1736 GMT 25 Jun 87

[Text] Ahvaz, Khuzestan Prov., June 25, IRNA — Coastal artillery fire of the Islamic Revolution's Guards Corps (IRGC) destroyed three Iraqi tactical bases near the salt factory, southern fronts, Wednesday and Thursday, killing a group of Iraqi officers and NCOs.

During the same period, artillery fire of the Muslim forces also disrupted the enemy's construction activities in the "Val-Fajr-8" operational theater (Al-Faw Peninsula) destroying at least four engineering vehicles.

Bandaranaike Voices Opposition to Elections

BK251652 Delhi Domestic Service in English
1530 GMT 25 Jun 87

[Text] The leader of the Sri Lanka Freedom Party and former prime minister, Mrs Sirimavo Bandaranaike, has criticised President Jayewardene's announcement for holding parliamentary by-elections in the north and the east and also local government elections.

She said it is just a sop to the people and ploy to postpone the general elections in the country.

Addressing a news conference in Colombo today, she asked how can an election be held in the north, especially in Jaffna, when the government has itself admitted that the areas are not under its control.

She repeated her charges that President Jaywardene will not solve what she called the problem of terrorism in the island. On the contrary, he will use it as a plea for further continuing in office.

She handed over to newsmen a copy of the resolution incorporating the decision of six opposition parties boycotting the local government elections and urging for a general election.

Meanwhile, the entire opposition today walked out of Parliament in protest against some observations by the speaker, Mr Seneviratne. Parliament was debating the government motion to extend the emergency in the country.

The leader of the opposition, Mr Anura Bandaranaike, said the government has failed in its military offensive in Jaffna where it has not taken even 25 percent of the territory.

Replying to the debate, the prime minister, Mr Premadasa, charged the opposition with resorting to hypocrisy in boycotting the local government elections.

Parliament Votes To Extend State of Emergency

BK251537 Colombo LANKA PUWATH in English
1454 GMT 25 Jun 87

["OANA/pool" item]

[Text] Colombo, June 25 (*Lanka Puwath*) — The motion to extend the state of emergency was passed in parliament today. One hundred seven members voted for the motion while 11 voted against. The members of the Sri Lanka Freedom Party, Communist Party and the Mahajana Ekath Peramuna [People's United Front] voted against.

LTTE Leader 'In Hiding', Another 'Retires'

BK261105 Colombo LANKA PUWATH in English
1050 GMT 26 Jun 87

["OANA/pool" item]

[Text] Colombo, June 26 (*Lanka Puwath*) — The leader of a greatly depleted and much tamed gang of Liberation Tigers of Tamil Eelam leader Velupillai Prabhakaran remains in hiding, while his erstwhile deputy Kittu alias Krishnakumar has retired from 'active service' after his leg was amputated, Jaffna sources told *Lanka Puwath*. [sentence as received]

They said that for the first time, youth in Jaffna were becoming bold enough to refuse to join the LTTE. This was due largely to the fact that Prabhakaran had left his men in the lurch and vanished from his home base Velvettiturai during the height of the successful security forces operation which cleared the Vedamarachchi area of all terrorists.

Jaffna sources said a growing number of youth who had been misled into violence by the smuggler turned terrorist leader Prabhakaran, who today was [as received] one of the wealthiest men in South Asia were now listening to their parents and other elders and refusing to remain or become terrorists.